

EXHIBIT “B”

PRIVATE CLIENT GROUP



Chartis Property Casualty Co
(Name of issuing company)

Renewal Declarations Page

New York Homeowners Declarations Page

Your Declarations Page shows at a glance the coverage you have and your premium. Your Declarations Page is part of your policy. Please read your policy carefully, including your Declarations Page and any attached Endorsements, for a description of your coverage.

Policy Number:
PCG 0001332563

Policy Period: 04/30/2013 - 04/30/2014

At 12:01 A.M. standard time at your mailing address shown below

Name of Insured and Mailing Address:

Paul Napoli
Paul Napoli
1985 Cedar Swamp Road
Glen Head, NY 11545

Agency Name, Address, Phone # & Code:

Sterling & Sterling, Inc. Ins
135 Crossways Park Drive
Suite 300
P.O. Box 9017
Woodbury, NY 11797
(516) 487-0300 0050193

YOU WILL BE BILLED SEPARATELY FOR ANY PREMIUM DUE.

The kind of losses that are covered and any special limits or deductibles that apply, are explained in detail in your Policy.

Summary of Coverage by Location:

1985-4 Cedar Swamp Rd Brookville, NY 11545

COVERAGE	PAYMENT BASIS	COVERAGE LIMIT
Dwelling	Replacement Cost	\$13,756,556
Other Permanent Structures	Replacement Cost	\$1,154,988
Contents	Replacement Cost	\$2,786,197
Loss of Use		Unlimited
Liability		\$500,000
Medical Payments		\$10,000

Deductible applied to this location:
Standard (All Other Perils): \$10,000

Location Premium: \$35,779.00

Forms and Endorsements Attached for Location: PCHO (9/06), 78052 (01/11), PCHO-ADLLC (09/06), PCHO-EB (9/06), PCHO-FLD (09/06), PCHO-FRDSG (9/06), PCHO-AENY (09/06), PCG-CRNOTR-NY (12/09), PCHO-FUNGINOT-NY (05/08), PCHO-HS-NY (09/06), PCHO-IFR-NY (09/06), PCHO-WC-NY (1/01)

Location Extension Schedule Premium:

Total Premium: \$35,779.00

PRIVATE CLIENT GROUP

Chartis Property Casualty Co

(Name of issuing company)

Homeowners Location Extension Schedule Page

Summary of Coverage by Location for Policy: PCG 0001332563

Mortgagee # 001 Loan
 Bank of America, N.A.
 Its Successors and/or Assigns
 P.O. Box 30120
 Charlotte, NC 28230

400 East 51st Street, Apt. 17B New York, NY 10022

COVERAGE	COVERAGE LIMIT
Liability	\$500,000
Medical Payments	\$10,000

168 Dune Road Southampton, NY 11968

COVERAGE	COVERAGE LIMIT
Liability	\$500,000
Medical Payments	\$10,000

159 Dune Road Westhampton Beach, NY 11978

COVERAGE	COVERAGE LIMIT
Liability	\$500,000
Medical Payments	\$10,000

Location Extension Schedule Premium Subtotal:

PRIVATE CLIENT GROUP



A special offer for our policyholders

Protect your home from water damage

Leaks are one of the most common causes of property damage, but with proper guidance you can virtually eliminate your home's vulnerability. Through our relationship with Water Security Systems, LLC, Private Client Group policyholders can access **complimentary consultations and exclusive savings** on additional services.

Services at your disposal

Allow Water Security Systems to advise you on how best to protect your home from water damage by:

- Providing you with pre-approved system options and information on the total cost of a water security device
- Assisting with the pre-installation process by ensuring that the plumbing is configured correctly
- Recommending a qualified plumber or working closely with your plumber to educate them on proper installation that is customized to your property.
- Providing ongoing customer support post-installation

Private Client Group policyholders can enjoy savings of \$300 – \$1,000 on a water security system.

Additional Benefits

Installing a water security system can provide value beyond simply reducing damage to your home from leaks. The following are among the added benefits you may receive:

- Discounts on your homeowners policy, which may lead to significant savings
- Reduced water bills
- Lower payouts toward your deductible due to less costly damage
- Enhanced protection for valuables inside your home

"Our hot water heater blew in spectacular fashion and Private Client Group recommended I promptly call Water Security Systems to prevent an incident like this from happening again. They helped me sort through the various device options, explained what was best for my home and were very patient throughout the process. They even worked directly with my plumber to ensure proper installation and automatically contacted Private Client Group so I could receive a discount on my homeowners policy for having a device installed."

— Jennifer Baldwin, Policyholder

For more information, please visit www.WSSUS.com or contact Water Security Systems directly at 888 356 5644. Be sure to mention you're insured with Chartis.

Chartis is the marketing name for the worldwide property-casualty and general insurance operations of Chartis Inc. Private Client Group is a division of Chartis Inc. Insurance and services are provided by a member company of Chartis Inc. Coverage and supplemental services may not be available in all jurisdictions and are subject to underwriting review and approval. Services provided by third parties are not part of the insurance policy, are not guaranteed by Private Client Group and may be discontinued at any time.

PRIVATE CLIENT GROUP



NOTICE

To report a claim, please contact:

1-888-760-9195

POLICYHOLDER NOTICE

Thank you for purchasing insurance from a member company of Chartis Inc. (Chartis). The Chartis member companies generally pay compensation to brokers and independent agents, and may have paid compensation in connection with your policy. You can review and obtain information about the nature and range of compensation paid by Chartis member companies to brokers and independent agents in the United States by visiting our website at www.aigproducercompensation.com or by calling Chartis at 1-800-706-3102.

PRIVATE CLIENT GROUP



HOMEOWNERS COVERAGE

QUICK REFERENCE

Declarations Page

Your Name and Address

Transaction

Policy Period

Coverage Limits

Premium

Forms

Coverage is provided by the Chartis Inc., member company named on the Declarations Page. Each is a stock company.

Policy Provisions

Beginning on Page

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A. Insuring Agreement

B. Payment of a Loss

C. Defense Coverage and Claim Expense

D. Additional Coverages

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The Contract together with the Declarations Page and Endorsements, if any, complete the policy.

THIS POLICY IS NOT COMPLETED WITHOUT A DECLARATIONS PAGE

HOMEOWNERS COVERAGE - POLICY PROVISIONS

The insurance company named on your Declarations Page will provide the insurance described in this policy. You agree to pay the premium and comply with your responsibilities described in this policy.

Various provisions in this policy restrict or exclude coverage. Read the entire policy carefully to determine your rights and duties, and what is and is not covered. We have no duty to provide coverage unless there has been full compliance with policy PART IV - CONDITIONS.

PART I - DEFINITIONS

Words with special meanings are defined here or in the part of the policy where they are used. Throughout the policy, defined terms will be bolded when used.

In this policy, the words "you", "your" and "yours" refer to the person or persons named on the Declarations Page and his or her "spouse" who lives in the same household. The words "we", "us", "our" and "ours" mean the insurance company named on the Declarations Page.

As used herein, a Declarations Page includes any schedule that supplements it.

Also, in this policy the words:

Aircraft means any contrivance used or designed for flight, except model or hobby craft not used or designed to carry people or cargo.

Bodily Injury means bodily harm, including resulting sickness or disease, required care, loss of services or death.

Business means a part-time or full-time trade, occupation or profession, including farming or ranching, other than **incidental business**.

Contents means personal property owned by, or in the possession of, you or a **family member**.

For any **residence** listed on the Declarations Page that is a condominium or cooperative, or rental unit, **contents** includes additions, alterations, items of real property, installations or fixtures that you paid for or acquired at your expense along with the **residence**. The property must be your insurance responsibility under the governing rules of the Condominium or Cooperative Association.

Damages means the sum required to satisfy any claim covered by this policy, whether settled and agreed to in writing by us or resolved by judicial review.

Family Member means a person related to you by blood, marriage or adoption that lives in your household including a ward or foster child.

Fungi means any type or form of fungus, including but not limited to all forms of mold or mildew, and any mycotoxins, spores, scents, vapors, gas or substance, including any by-products, produced or released by **fungi**.

House means the owned one, two, three or four family dwelling at which you reside, intend to

reside, or any location named on the Declarations Page that is not a condominium or a cooperative.

Incidental Business means a **business** activity that does not produce gross revenues in excess of \$10,000 in any year, has no employees subject to workers' compensation or other similar disability laws, and conforms to federal, state and local laws. **Incidental business** includes the **business** of farming provided that it does not involve employment of others for more than 1,250 hours of farm work during the Policy Period, and does not produce more than \$25,000 in gross annual revenues from the raising or care of animals or agriculture. **Incidental business** includes **residences** listed on the Declarations Page that you own and rent to others.

Insured person means:

- a. You or a **family member**;
- b. An Additional Insured named in the policy;
- c. Any person given permission by you or a **family member** to use a vehicle or **watercraft** covered under this policy with respect to their legal responsibility arising out of its use; or
- d. A **spouse**. A **spouse** is a marriage partner. The term **spouse** also includes an individual registered under state law as a domestic partner of the **insured person** shown on the Declarations Page.

Landscaping means your trees, lawn, shrubs, and other plants, not including forestry or brush, on the grounds of your **residence**.

Medical Expenses means reasonable charges for medical, dental, hospital, surgical, X-ray, prosthetic devices, professional nursing, ambulance, and funeral services.

Occurrence means:

- a. A loss or an accident, to which this insurance applies, including continuous or repeated exposure to substantially the same general harmful conditions, which occurs during the Policy Period and results in **personal injury** or **property damage**; or
- b. An offense, to which this insurance applies, including a series of related offenses, committed during the Policy Period that results in **personal injury** or **property damage**.

Other Permanent Structures means outdoor structures you own that are situated on the grounds of

your **residence**.

Personal Injury means the following injuries, or resulting death:

- a. **Bodily injury**;
- b. Wrongful detention, false imprisonment or false arrest;
- c. Shock, emotional distress, mental injury;
- d. Invasion of privacy;
- e. Defamation, libel or slander;
- f. Malicious prosecution;
- g. Wrongful entry or eviction; or
- h. Assault and battery when committed with the intent of protecting persons.

Property Damage means physical injury to, destruction of, or loss of use of tangible property and the resulting loss of its use.

Reconstruction Cost means the lesser of the amount at the time of the loss required to:

- a. Restore or repair a structure; or
- b. Replace or rebuild a structure at the same location;

with materials of like kind and quality. **Reconstruction cost** does not include any amount required for the excavation, replacement or stabilization of land under or around a structure.

Recreational Motor Vehicle means:

- a. A motorized land vehicle designed for use off public roads and not subject to motor vehicle registration or operator licensing;
- b. A motorized land vehicle in dead storage at your **residence**; or
- c. A motorized land vehicle used solely on and to service a location shown on the Declarations Page.

Residence means any of the following which is listed on the Declarations Page:

- a. Any **house, other permanent structures** and grounds that you own;
- b. Any condominium unit, cooperative, or apartment that you own or reside in; or
- c. Any other type of home you rent to live in.

Residence Employee means:

- a. Your employee whose duties are related to the maintenance or use of the **residence** premises, including household or domestic services; or
- b. One who performs similar duties elsewhere not related to your **business**.

Watercraft means a boat or craft designed for use on, over or under water.

PART II - PROPERTY

A. Insuring Agreement

This policy covers you against all risks of direct physical loss or damage to your **house, contents and other permanent structures** unless an exclusion applies.

B. Payment of a Loss

1. Amount of Coverage for Your **House** and **Other Permanent Structures**

The amount of coverage for each **house** and for **other permanent structures** at each location shown on the Declarations Page is determined by the payment basis shown on the Declarations Page:

a. *Guaranteed Rebuilding Cost Coverage*

We will pay Guaranteed Rebuilding Cost when shown on the Declarations Page of this policy. Guaranteed Rebuilding Cost coverage means that for a covered loss we will pay the **reconstruction cost** of your **house or other permanent structures**, for each **occurrence**, even if this amount is greater than the amount of coverage shown on the Declarations Page. However, you must begin to repair or rebuild your **house or other permanent structures** within two years from the date of loss at the same location. If not, the maximum payable is the coverage limit shown for that location on the Declarations Page.

b. *Replacement Cost Coverage*

We will pay Replacement Cost when shown on the Declarations Page of this policy. Replacement Cost Coverage means that for a covered loss we will pay the **reconstruction cost** of your **house or other permanent structures**, up to the coverage limit shown for that location on your Declarations Page, for each **occurrence**. For a covered total loss we will pay the **reconstruction cost** up to the coverage limit shown for that location on your Declarations Page, for each **occurrence**, whether or not you actually rebuild your **house or other permanent structures**. The amount of coverage will be increased daily to reflect the current effect of inflation. At the time of a covered loss, your **house and other permanent structures** coverage will include any increase in the United States Consumer Price Index from the beginning of the Policy Period.

Your payment basis is subject to the following restriction. If at any time during the policy period, you are newly constructing your **house or other permanent structures**; constructing additions; or undergoing renovations equal to

or in excess of the lesser of 10% of the **house** coverage limit or \$500,000, and/or it results in your moving out of the **house** for any period of time, the payment basis for your **house** or **other permanent structures** is the reconstruction cost less depreciation. This limitation will not apply if we otherwise give our prior written consent.

We may change the amount of coverage shown on the Declarations Page when the policy renews or when appraisals are conducted to reflect current costs and values.

2. Amount of Coverage For Your **Contents**

The coverage amount for your **contents** for each covered **residence** is listed on your Declarations Page. The amount we will pay for a covered loss will depend on where the covered loss occurs:

At a **Residence**;

a. If a loss occurs to **contents** located at a **residence** with **contents** coverage:

i. Listed on the Declarations Page of this policy:

We will pay up to the coverage limit for **contents** for that location, for each **occurrence**; or

ii. Under another Homeowners policy in force with us:

We will not pay any amount under this policy.

b. If a loss occurs to **contents** located at a **residence** that does not have **contents** coverage or at a **house**, condominium, cooperative or rental unit owned or rented by the **insured person** not listed on the Declarations Page of this policy or any other policy issued by us or one of our affiliated companies:

We will pay up to 10% of the highest coverage limit for **contents** of any single location listed in this policy, for each **occurrence**. Payment will be made based on the single location and will not be made under more than one policy issued by us or one of our affiliated companies.

However, **contents** at a newly acquired **residence** are not subject to this limitation for sixty (60) days after you begin to move property there.

Away From a **Residence**;

c. If a loss occurs to **contents** located away from any **residence** or location you own or live at:

We will pay up to the highest coverage limit for **contents** for any single location listed in this policy, for each **occurrence**. Payment will be made based on the single location and will not be made under more than one policy issued by us or one of our affiliated companies.

The most we will pay for a covered loss is the lesser of the amount required to repair the damage or the full cost to replace the **contents** without deduction for depreciation, up to the coverage limit.

However, the most we will pay for a covered loss is the cost to repair or replace the **contents** less depreciation, up to the coverage limit, if the **contents** are obsolete or unusable for the purpose for which they were originally intended because of their age or condition.

If, after a covered loss to both **house** and **contents**, we pay more than the coverage limit for **house** coverage because of Guaranteed Rebuilding Cost, we will automatically increase the amount of **contents** coverage for that loss by the same percentage that we increased the amount of **house** coverage.

The amount of coverage for your **contents** will be increased daily to reflect the current effect of inflation. At the time of a covered loss, your **contents** coverage will include any increase in the United States Consumer Price Index from the beginning of the Policy Period.

3. Deductible

The deductible shown on the Declarations Page is the amount of a covered loss you will pay for each **occurrence**.

Your deductible shown on the Declarations Page will be reduced by any other deductible in this policy unless the deductible is a special deductible such as hurricane, wind and hail, or named storm.

Construction deductible. If at any time during the Policy Period, you are newly constructing your **house** or **other permanent structures**; constructing additions; or undergoing renovations equal to or in excess of the lesser of 10% of the **house** coverage limit or \$500,000, and/or it results in your moving out of the **house** for any period of time, a 5% construction special deductible will apply to each **occurrence** in lieu of a base deductible. This deductible applies to your **house**, **other permanent structures**, **contents**, and additional coverages. The dollar amount of this deductible is based on the **house** coverage limit shown on the Declarations Page for that location at the time of the loss. This deductible does not eliminate any other special deductibles that may apply. If the deductible waiver for large losses endorsement was selected, that endorsement will not apply. The construction deductible will not apply to the loss if we otherwise give our prior written consent.

4. Pairs, Sets and Parts

For a covered loss to a pair or set, we will pay whichever is less:

a. The cost to replace the lost or damaged property;

- b. The cost to restore or repair the damaged property to its pre-loss condition;
- c. The difference between the market value of the pair or set before the loss and after the loss; or
- d. The amount of coverage.

However, we will pay you the full replacement cost of the entire pair or set if you agree to surrender the remaining article(s) of the pair or set to us.

5. Special Limits of Liability

- a. The limit shown for each of the following categories is the maximum we will pay for a covered loss to that type of **contents**. These special limits do not increase the amount of coverage of your **contents**.

- i. Money, bank notes, money orders, drafts, checks or gold, silver or platinum bullion or ingots \$2,500
- ii. **Watercraft**, including their outboard motors, equipment and furnishings \$5,000
- iii. Trailers \$5,000
- iv. Grave markers and Mausoleums \$50,000

- b. The limit shown for each of the following categories is the maximum we will pay for a covered loss to that type of **contents** unless they are stored in a bank vault or bank safe deposit box, in which case we will pay up to the total amount for **contents** coverage listed in the policy for each **occurrence**. These special limits do not increase the amount of coverage of your **contents**.

- i. Stamps, Coins & Medals \$5,000
- ii. Negotiable papers, securities, accounts, evidences of debt, letters of credit, notes (other than bank notes), manuscripts, passports, tickets \$5,000

- c. We will pay up to the coverage limit for **contents** coverage listed in the policy for each **occurrence** for **contents** in the following categories unless they are lost, misplaced or stolen, in which case we will only pay up to the limit shown below. These special limits do not increase the amount of coverage of your **contents**.

- i. Jewelry, watches, \$5,000

precious stones or semi-precious stones, whether set or unset

- ii. Furs \$5,000
- iii. Guns \$5,000
- iv. Silverware, goldware, pewterware or trophies \$10,000

- d. We will pay up to the total amount of **contents** coverage listed in the policy for each **occurrence** for **contents** in the following categories unless the loss is caused by breakage, in which case we will only pay up to the limit shown below. These special limits do not increase the amount of coverage of your **contents**.

- i. Crystal, china, porcelains, figurines, statues, sculptures, mirrors, wine bottles, glassware and similar items. \$50,000

C. Additional Coverages

These coverages are offered in addition to the amount of coverage shown on the Declarations Page unless stated otherwise. Your deductible applies to these coverages unless stated otherwise. Exclusions are described in section D. Exclusions and limits of liability, are described in section B., 5. Special Limits of Liability apply to these coverages.

1. Additional Living Expense

If a covered loss makes your **residence** uninhabitable, we cover any reasonable increase in living expenses incurred by you to maintain your household's usual standard of living. Payment will continue for the shortest reasonable amount of time necessary to restore your **residence** to a habitable condition or for your household to permanently locate elsewhere. If your **residence** is under construction and you are living in the **residence** at the time of loss, additional living expenses will cease once you are restored to the condition you were just prior to the loss. We will not pay any interests for loans or increased policy premiums associated with the rebuilding of your home. However, if prior to the loss you are not living in the **residence** or have moved out because of construction or renovations, then additional living expenses for this location will not apply.

We will also pay reasonable expenses associated with the kenneling of your domestic animals only.

2. Assessments

We will pay up to \$100,000 per **occurrence** for your share of an assessment charged during the Policy Period against all the mem-

bers of a Homeowners, Condominium or Cooperative Association. The assessment must be as a result of a covered loss to property or as a result of liability that would be covered under this policy. We will not pay assessments charged for loss resulting from earthquake; however, we will pay your share of an assessment charged as a result of an ensuing covered loss due to theft, explosion, fire or glass breakage unless another exclusion applies. We will not pay more than \$10,000 for any assessment that results from a deductible in your Association's insurance. The resultant assessment must be a result of a covered loss to property or as a result of liability that would be covered under this policy. We will not pay assessments charged for loss resulting from earthquake; however, we will pay your share of an assessment charged as a result of an ensuing covered loss due to theft, explosion, fire or glass breakage unless another exclusion applies. Your deductible does not apply to this coverage.

3. Fair Rental Value

If you are not able to rent out your **residence**, or a part of your **residence**, that you usually rent to others because of a loss covered by this policy, we will pay the fair rental value for the reasonable amount of time necessary to restore your **residence**, or that part of your **residence**, to a habitable condition.

4. Forced Evacuation

If you are forced by civil authority to evacuate your **residence** as a direct result of a loss or a reasonable threat of a loss covered by this policy, we will reimburse you for the reasonable increase in your living expenses necessary to maintain your household's normal standard of living for up to thirty (30) days. We also cover any loss in fair rental value for up to thirty (30) days if your **residence** is rented to others.

5. Landscaping

We will pay up to 5% of the coverage limit for the **house** or, if **house** coverage is not available, 5% of the coverage limit for the **contents** at the **residence** at which the covered loss occurs, but no more than \$5,000 for any one tree, shrub or plant. **Landscaping** does not include forestry or brush.

We will pay only for losses caused by:

- a. **Aircraft**;
- b. Fire, lightning or explosion;
- c. Riot or civil commotion;
- d. A vehicle not owned or operated by someone who lives at the **residence**; or

- e. Theft, attempted theft, vandalism or malicious mischief.

This additional coverage applies only if you repair or replace the damaged **landscaping** within 180 days of the date of loss.

6. Land

In the event of a covered loss to your **house** or **other permanent structures** we will pay for required stabilization, excavation, or replacement of land under or around your **house** or **other permanent structures**. We will pay up to 10% of the amount of a covered loss to your **house** or **other permanent structures** for this coverage.

7. Construction Materials

We cover materials and supplies owned by you at each location shown on the Declarations Page for use in the repair, alteration, or construction of your **residence** unless stated otherwise or an exclusion applies. These payments do not increase the amount of your coverage.

8. Precautionary Repairs

After a loss covered by this policy, we will pay the reasonable expenses you incur for necessary repairs to protect your **residence** against further loss. These payments do not increase the amount of your coverage.

9. Debris Removal

We will pay the reasonable expenses to remove debris of a covered loss and the property that caused that covered loss. We will also pay up to a total of \$1000 to remove trees from the **residence** if felled by the peril of windstorm, hail, weight of ice or snow or sleet when there is no damage to covered property.

10. Lock Replacement

We will pay for the cost of replacing the locks in a **residence** listed on the Declarations Page if the keys to that **residence** are lost or stolen. Your deductible does not apply to this coverage.

11. Rebuilding to Code

We will pay the extra expenses to obey any law or ordinance that regulates the repair, rebuilding or demolition of property damaged by a covered loss.

12. Mine Subsidence

We cover direct loss to your **house** and **other permanent structures** caused by lateral or vertical movement of a man-made underground mine or mine-related excavations.

13. Property Removal for Safekeeping

We will pay for any reasonable expenses incurred for the moving and storing of **contents** from a **residence** because the **contents**

are in danger as a result of a covered loss.

14. Data Replacement

We will reimburse you up to \$5,000 for expenses you incur as a result of a covered loss to replace lost personal data stored on a personal computer or portable computing device that you own or lease.

15. Business Property

We will pay up to \$25,000 for a covered loss to **business** property you own or lease.

16. Fire Department Charges

We will pay for the charges imposed by law or assumed by written agreement when a fire department answers a call to save or protect a **residence** listed on the Declarations Page. Your deductible does not apply to this coverage.

17. Back Up of Sewers and Drains

We will pay up to the coverage limits shown on the Declarations Page for physical loss or damage to property caused by:

- a. Water which backs up through sewers or drains on the **residence** premises. A sewer or drain is a pipe mechanically connected to the **residence** plumbing system, gutters or downspouts, or other drainage pipe located on the **residence** premises used to drain water and waste away from the **residence**. A backup is not due to the inability of a sewer or drain to handle the amount of rainwater, surface water or groundwater trying to enter the sewer or drain.
- b. Water which overflows from a sump pump pit if such overflow results from the mechanical breakdown of the sump pump. This additional coverage is intended to cover damage caused by water that overflows the sump pit due to mechanical breakdown of the sump pump, but not damage caused by surface or groundwater before it enters the sump pit. This coverage does not apply to direct physical loss or damage of the sump pump or related equipment, which is caused by mechanical breakdown.

These payments do not increase the amount of your coverage.

18. Property of Domestic Staff and Guests

We cover the personal property of your domestic staff and guests while it is on the premises of any **residence** listed on the Declarations Page. These payments do not increase the amount of your coverage.

19. Loss by Animals

We cover loss to your **house, other permanent structures**, and **contents** caused by domestic animals.

20. Arson Reward

We will pay up to \$5,000 for information leading to an arson conviction in connection with a fire loss to property covered by this policy. The \$5,000 limit is the most we will pay, regardless of the number of persons providing information. This coverage is additional insurance.

21. Food Spoilage

We cover food spoilage due to a temperature change in a refrigerator or freezer caused by an interruption of the power supply, originating either on or off-premises, or due to the mechanical breakdown of refrigeration equipment at any **residence** you live at or own. Wine or spirits are not considered food. These payments do not increase your amount of coverage. This coverage is subject to a \$250 deductible.

22. Ensuing Fungi or Bacteria

We will pay up to \$10,000 in total for a loss caused by **fungi** or bacteria resulting from a covered loss, including:

- a. The cost to remove, clean-up, remediate, contain, treat, detoxify, neutralize, **fungi** or bacteria;
- b. The cost to tear out and replace any part of the building or other covered property as needed to gain access to the **fungi** or bacteria;
- c. The cost of testing or monitoring of air or property to confirm the absence, presence or level of **fungi** or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of **fungi** or bacteria; and
- d. Up to \$5,000 for the reasonable increase in living expenses incurred by you to maintain your household's usual standard of living if your **residence** is uninhabitable. Payment will continue for the shortest period of time necessary to restore your **residence** to a habitable condition.

This is the most we will pay regardless of the number of **occurrences**, the number of locations insured, or the number of claims-made. We will not make any additional payments for Ensuing **Fungi** or Bacteria under any other Additional Coverage.

These payments do not increase the amount of coverage.

23. Loss Prevention Device

After a loss is covered by this policy, we will pay for the reasonable costs you incur up to \$2,500 for the installation of an approved

loss prevention device to protect your **residence** against the same loss in the future. Approved loss prevention devices include fire alarms systems, fire suppression systems, security systems, sump pumps, automatic water shut-off devices, lightning suppression systems, back-up power systems and hail resistant roofing materials. These payments do not increase the amount of coverage.

This additional coverage only applies if the loss exceeds the location deductible.

D. Exclusions

The following exclusions apply to PART II - PROPERTY section of your policy:

1. Pollution or Contamination

We do not cover any loss, directly or indirectly, and regardless of any cause or event contributing concurrently or in any sequence to the loss, caused by the discharge, dispersal, seepage, migration or release or escape of pollutants. Nor do we cover the cost to extract pollutants from land or water, or the cost to remove, restore or replace polluted or contaminated land or water. A "pollutant" is any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and "waste". A "contaminant" is an impurity resulting from the mixture of or contact with a foreign substance. "Waste" includes materials to be disposed of, recycled, reconditioned or reclaimed.

2. Gradual or Sudden Loss

We do not cover any loss caused by gradual deterioration, wet or dry rot, warping, smog, rust, or other corrosion. In addition, we do not cover any loss caused by inherent vice, wear and tear, mechanical breakdown or latent defect. However, we do insure ensuing covered loss unless another exclusion applies.

3. Fungi or Bacteria

We do not cover any loss caused by the presence, growth, proliferation, spread or any activity of **fungi** or bacteria including the cost to test for, monitor, clean up, move, remediate, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of **fungi** or bacteria.

This exclusion does not apply to:

- a. Coverage provided under PART II - PROPERTY. Additional Coverage. Ensuing **Fungi** or Bacteria; or
- b. Ensuing covered loss unless another exclusion applies.

4. Loss by Rodents, Insects, Birds or Vermin

We do not cover any loss caused by

rodents, insects, birds or vermin except loss to glass that is part of a building, storm door or window. However, we do insure ensuing covered loss unless another exclusion applies.

5. Structural Movement

We do not cover any loss caused by bulging, expansion, shrinking or settling, including resultant cracking, of foundation, floors, walls, patios, pavements, ceilings or roofs. However, we do insure ensuing covered loss unless another exclusion applies.

6. Surface and Ground Water Damage

We do not cover any loss caused by:

- a. Flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind; or
- b. Water below the surface of the ground, including water which exerts pressure on, or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

This exclusion does not apply to:

- a. **Contents** away from any **residence** or location you own or live at; or
- b. Ensuing covered loss unless another exclusion applies.

7. Water or Ice Damage to Certain **Other Permanent Structures**

We do not cover loss to certain **other permanent structures** caused by freezing, thawing, or the pressure or weight of water or ice, whether driven by wind or not. However, we do insure ensuing covered loss unless another exclusion applies. The **other permanent structures** to which this exclusion applies are swimming pools, fences, tennis courts, hot tubs, patios, pavements, foundations, septic systems, retaining walls, wharves, docks, piers, bridges or bulkheads.

8. Faulty, Inadequate or Defective Planning

We do not cover any loss caused by faulty, inadequate or defective:

- a. Planning, zoning, development, surveying, siting;
- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- c. Materials used in repair, construction, renovation or remodeling; or
- d. Maintenance;

of part or all of any property whether on or off the **residence**.

However, we do insure ensuing covered loss unless another exclusion applies.

9. Earthquake

We do not cover any loss to your **house** or **other permanent structures** caused by earthquake. However, we do insure ensuing covered loss due to theft, fire, glass breakage or explosion unless another exclusion applies.

10. Earth Movement

We do not cover any loss to your **house** or **other permanent structures** caused by earth movement including volcanic eruptions, landslides, mudflows, and the sinking, rising, or shifting of land. We do insure ensuing covered loss due to theft, fire, glass breakage or explosion unless another exclusion applies.

11. Business Property

We do not cover any loss to **business** property. This exclusion does not apply to coverage provided under PART II - PROPERTY, Additional Coverage, **Business** Property.

12. Motorized Land Vehicles

We do not cover any loss to motorized land vehicles including their equipment and accessories or any electronic devices designed to be operated solely by power from the electrical system of that vehicle. However, we do cover vehicles not subject to motor vehicle registration which are:

- a. Used to service any **residence** you own or live at;
- b. Designed to assist the handicapped; or
- c. Designed for recreational use off public roads.

13. Renovations and Repairs

We do not cover loss caused by renovating, refinishing or repairing any kind of **contents**. This exclusion does not apply to jewelry, watches, and furs.

14. Watercraft Accidents

We do not cover any loss caused by the stranding, swamping or sinking of a **watercraft** or its trailer, or outboard motor.

We also do not cover any loss caused by collision of a **watercraft** other than collision with a land vehicle unless another exclusion applies.

15. Tenant Property

We do not cover any loss to property of roomers, boarders, or other tenants.

16. Temperature or Dampness

We do not cover any loss caused by extremes of temperature, dampness or dryness of atmosphere, or water vapor to your **house**, **other permanent structures** or **contents**.

This exclusion does not apply to:

- a. Loss caused directly by rain, sleet, snow or hail; or
- b. Coverage provided under PART II - PROPERTY, Additional Coverage, Food Spoilage.

17. Aircraft

We do not cover any loss to **aircraft** or **aircraft** parts.

18. Confiscation

We do not cover any loss caused by the destruction, confiscation or seizure by any government or public authority.

19. Acts of War

We do not cover any direct loss or ensuing loss to property caused by any kind of warlike action. War includes undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.

20. Loss to Fish, Birds or Animals

We do not cover any loss to fish, birds or animals.

21. Intentional Acts

We do not cover any loss caused by any act, whose consequences could have been foreseen by a reasonable person, committed :

- a. By or at the direction of you, your spouse or a **family member**; and
- b. With the intent to cause loss or damage.

22. Dishonest Acts

We do not cover any loss caused by any dishonest or criminal act by, or at the direction of, you or any **family member**.

23. Nuclear Hazard

We do not cover any loss caused directly or indirectly by "nuclear hazard". Nuclear hazard means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these. However, ensuing covered loss due to fire resulting from a nuclear hazard is covered unless another exclusion applies.

24. Back Up of Sewers or Drains

We do not cover any loss due to a back up or overflow of a sewer or drain including any loss that contributes to any event. This exclusion does not apply to coverage provided under PART II - PROPERTY, Additional Coverage, Back Up of Sewers and Drains.

25. Contents Under Another Policy

We do not cover any loss to **contents** that

are insured under a private collections policy, valuable articles or similar policy not issued by us or one of our affiliated companies.

26. Uninsured Owned Location

We do not cover any loss caused directly or indirectly by wind to **contents** located at an owned **house**, condominium or cooperative that does not have **contents** coverage listed on the Declarations Page of this policy or any other policy issued by us or one of our affiliated companies.

Contents at a newly acquired location are not subject to this exclusion for sixty (60) days after you begin to move **contents** there.

PART III - LIABILITY

A. Insuring Agreement

We will pay **damages** an **insured person** is legally obligated to pay for **personal injury** or **property damage** caused by an **occurrence** covered by this policy anywhere in the world, unless stated otherwise or an exclusion applies.

B. Payment of a Loss

The most we will pay for all claims for **personal injury** and **property damage** as a result of any one **occurrence** is the Liability coverage limit shown on the Declarations Page of this policy. This insurance applies separately to each **insured person** against whom a claim is made or suit is brought, but we will not pay more than the limit shown on the Declarations Page for any single **occurrence** regardless of the number of **insured persons**, claims made or persons injured. There is no restriction to the number of **occurrences** during the Policy Period for which claims may be made.

Payments under provision **C., Defense Coverage and Claim Expense**, except a settlement payment, are in addition to the Liability coverage limit in the policy shown on the Declarations Page.

C. Defense Coverage and Claim Expense

We will pay the costs to defend an **insured person** against any suit seeking covered **damages** for **personal injury** or **property damage**, even if the suit is false, fraudulent or groundless. You may choose counsel from a panel of firms selected by us. If a panel counsel is not established in the jurisdiction where the suit is brought, we reserve the right to select counsel.

We may investigate and settle any claim or suit at our discretion.

Additionally, we will pay:

1. All court costs and expenses on judgments assessed against any **insured person**;
2. Reasonable expenses incurred by an **insured**

person at our request up to a total of \$10,000 for assisting us in the investigation or defense of a claim or suit;

3. The cost of bail bonds required of an **insured person** because of a covered loss;
4. All premiums on bonds required in a suit we defend, but not for bond amounts more than the coverage amount (we need not apply for or furnish any bond);
5. All expenses incurred by us;
6. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court, that part of the judgment which does not exceed the amount of coverage; and
7. All prejudgment interest awarded against an **insured person** on that part of the judgment we pay or offer to pay. We will not pay any prejudgment interest based on that period of time after we make an offer to pay the amount of coverage.

In jurisdictions where we are prevented from defending an **insured person** for a covered loss because of laws or other reasons, we will pay any expenses incurred with our prior written consent for the **insured person's** defense.

Our duty to defend any claim or suit arising out of a single **occurrence** ends when the amount we have paid in **damages** for that **occurrence** equals the Liability coverage limit shown on the Declarations Page of this policy.

D. Additional Coverages

1. Damaged Property

If an **insured person** destroys or damages other people's property we will pay the replacement cost for that property up to \$10,000 per **occurrence**.

2. Credit Cards, Forgery, and Counterfeiting

We will pay up to a total of \$10,000 for:

- a. Any amount an **insured person** is legally obligated to pay resulting from:
 - i. Theft or loss of a bankcard or credit card issued in the name of you or a **family member**; or
 - ii. Loss caused by forgery or alteration of any check or negotiable instrument.

A loss will not be covered unless all the terms for using the card, check or negotiable instrument, are complied with.

- b. Loss caused by accepting in good faith any counterfeit paper currency.

At our option we may defend a claim or suit against you or a **family member** for forgery or counterfeiting. We will defend a claim or suit against you or a **family member** for loss or theft of a bankcard or credit card.

3. Medical Payments to Others

Regardless of liability, we will pay the nec-

essary **medical expenses** that are incurred or medically ascertained within three (3) years from the date of an accident causing **bodily injury** up to a total of \$10,000 for each person. This coverage does not apply to you or a **family member** and only applies to an accident that:

- a. Occurs to a person, at a **residence** with liability coverage listed on the Declarations Page, with permission from you or a **family member** to be there;
- b. Arises from a condition at a **residence**, or at the steps, driveways or sidewalks immediately adjoining a **residence**, listed on the Declarations Page with liability coverage;
- c. Is caused by an animal owned by or in the care of an **insured person**; or
- d. Is caused by an **insured person** or a **residence employee** in the course of his or her employment by an **insured person**.

4. Limited **Residence Premises Business** Liability

We cover **personal injury** or **property damage** arising out of the physical condition of a **residence** shown on the Declarations Page when **business** or professional activities are legally conducted by any **insured person** at that **residence**. The most we will pay for any covered loss is the Liability coverage limit shown on the Declarations Page. Coverage is subject to the following:

- a. You do not have any employees conducting **business** activities at your **residence** who are subject to workers' compensation or other similar disability laws;
- b. You are not a home day care provider; and
- c. There is no other valid collectible insurance.

E. Exclusions

This policy does not provide coverage for liability, defense costs or any other cost or expense for:

1. Motorized Land Vehicles

Personal injury or **property damage** arising out of the ownership, maintenance, use, loading or unloading of any motorized land vehicle. This exclusion does not apply to **recreational motor vehicles** except when they are used for participation in or practice for competitive racing.

2. Aircraft

Personal injury or **property damage** arising out of the ownership, maintenance, use, loading, unloading, or towing of any **aircraft**.

3. Watercraft

Personal injury or **property damage** arising

out of the ownership, maintenance, use, operation, loading or unloading of any **watercraft**:

- a. That is twenty-six (26) feet or more in length or fifty (50) or more horsepower and which is owned by an **insured person** or furnished or rented to an **insured person** for longer than thirty (30) days;
- b. Used for any **business** or commercial purpose; or
- c. Used for participation in or practice for competitive racing (except sailboats less than twenty-six (26) feet in length).

4. Workers' Compensation or Disability

Any **damages** or benefits an **insured person** is legally obligated to provide under any workers' compensation, disability benefits, Jones Act or General Maritime Law, unemployment compensation, occupational disease or similar law. However, we do provide coverages in excess over any other insurance for damages a **covered person** is legally obligated to pay for **bodily injury** to a **residence employee** of a location listed on the Declarations Page which are not compensable under workers compensation, unless another exclusion applies.

5. Directors Errors or Omissions

Personal injury or **property damage** arising out of any **insured person's** acts, errors or omissions as an officer or member of the board of directors of any corporation or organization. This exclusion does not apply to **personal injury** or **property damage** arising out of an **insured person's** actions for a non-profit corporation or organization or for a Condominium or Cooperative Association unless another exclusion applies.

6. Care, Custody or Control

Property Damage to property owned by, rented to, occupied or used by, or in the care, custody or control of an **insured person** to the extent that the **insured person** is required by contract to provide insurance. This exclusion does not apply to **property damage** caused by fire, smoke, or explosion.

7. Insured Person

Personal injury to an **insured person** under this policy.

8. Discrimination

Personal injury arising out of actual, alleged or threatened discrimination or harassment due to age, race, national origin, color, sex, creed, handicapped status, sexual preference or any other discrimination.

9. Sexual Molestation or Corporal Punishment

Personal injury arising out of any actual, alleged or threatened by any person:

- a. Sexual molestation, misconduct or

harassment;

- b. Corporal punishment; or
- c. Sexual, physical or mental abuse.

10. Transmitted Diseases

Personal injury resulting directly or indirectly from any illness, sickness or disease transmitted intentionally or unintentionally by an **insured person** to anyone. We do not cover any **damages** for any threat of exposure or any consequences resulting from that illness, sickness, or disease.

11. Business Pursuits

Personal injury or **property damage** arising out of an **insured person's business** property or **business** pursuits, investment activity or any activity intended to realize a profit for either an **insured person** or others. However, this exclusion does not apply to:

- a. Volunteer work for an organized charitable, religious or community group;
- b. **Incidental business** activity; or
- c. Limited **Residence Premises Business Liability Coverage**.

12. Professional Services

Personal injury or **property damage** arising out of an **insured person's** performing or failure to perform professional services for which any **insured person** is legally responsible or licensed.

13. War

Bodily injury or **property damage** caused directly or indirectly by war, including the following and any consequence of the following:

- a. Undeclared war, civil war, insurrection, rebellion, or revolution;
- b. Warlike acts by a military force or military personnel; or
- c. The destruction, seizure or use of property for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

14. Assessments

Any assessment charged against an **insured person** as a member of an association, corporation or community of property owners.

15. Contractual

Personal injury or **property damage** arising from contracts or agreements, whether written or unwritten:

- a. Made in connection with any **insured person's business** ; or
- b. In which the liability of others is assumed after a covered loss.

16. Nuclear Hazard

Personal injury or **property damage** caused directly or indirectly by nuclear reaction, radiation, or radioactive contamination.

17. Intentional Acts

Personal injury or **property damage** resulting from any criminal, willful, intentional or malicious act or omission by any person. We also will not cover claims for acts or omissions of any person which are intended to result in, or would be expected by a reasonable person to cause, **property damage** or **personal injury**. This exclusion applies even if the injury or damage is of a different kind or degree, or is sustained by a different person, than expected or intended. This exclusion does not apply to **bodily injury** if the **insured person** acted with reasonable force to protect any person or property.

18. Wrongful Termination

Personal injury arising out of wrongful termination of employment.

19. Controlled Substance(s)

Personal injury or **property damage** arising out of the use, sale, manufacture, delivery or transfer or possession of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. This exclusion does not apply to the legitimate use of prescription drugs of a person following the orders of a licensed physician.

PART IV - CONDITIONS

A. Your Duties

1. Your duty is to notify your agent or broker of a change in occupancy.
2. Your duty is to notify your agent or broker at the beginning of any renovation or construction work and throughout the work to maintain an appropriate amount of coverage and confirm that appropriate protective safeguards are in place as determined by us.

B. Your Duties After a Loss

In the event of an **occurrence** which is likely to involve this policy, or if you or any other **insured person** under this policy is sued in connection with an **occurrence** which may be covered under this policy, you or an **insured person** must:

1. Give prompt notice to us or your agent or broker.
2. Notify the police in case of loss by theft.
3. Notify the credit card or fund transfer card company in case of loss under credit card or fund transfer card coverage.
4. Protect the property from further damage. If repairs to the property are required, you must:

- a. Make reasonable and necessary repairs to protect the property; and
- b. Keep an accurate record of all repair expenses.
- 5. Provide us with bills, receipts and related documents.
- 6. As often as we reasonably require:
 - a. Show the damaged property;
 - b. Provide us with records and documents we request; and
 - c. Submit to separate examination under oath.
- 7. Send to us within sixty (60) days of our request, your signed sworn proof of loss which sets forth, to the best of your knowledge:
 - a. The time and cause of loss;
 - b. The interest of all others in the property;
 - c. Other insurance which may cover the loss; and
 - d. The dollar amount being claimed as your loss.
- 8. Provide us with the names and addresses of any known persons injured and any available witnesses.
- 9. Provide us with any suit papers and other documents which will help us defend any **insured person**.
- 10. Assist and cooperate with us in the conduct of the defense by helping us:
 - a. To make settlement;
 - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an **insured person**;
 - c. To attend hearings and trials; and
 - d. To secure and give evidence and obtain the attendance of witnesses.

C. Policy Period and Territory

The Policy Period is stated on the Declarations Page. This policy applies to an **occurrence** which takes place anywhere in the world unless otherwise limited by the policy.

D. Recovery

If the **insured person** has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The **insured person** must do nothing after loss to impair such rights of recovery. At our request, the **insured person** will bring suit or transfer those rights to us and help us enforce them.

E. Assignment

No one covered under this policy may assign or turn over any right or interest in regard to the policy without our written consent.

F. Changes

No change or modification of this policy shall be effective except when made by written endorsement signed by our legal representative.

G. Concealment or Fraud

The entire policy will be void if, whether before or after a loss, you or an **insured person** have:

- 1. Intentionally concealed or misrepresented any material fact or circumstance;
 - 2. Engaged in fraudulent conduct; or
 - 3. Made false statements;
- relating to this insurance.

H. Reasonable Care

You must use reasonable care to maintain heat in your **residence** or shut off and drain the water system or appliances if the home is vacant, unoccupied or being constructed. We do not cover any loss caused by water freezing in a plumbing, heating, or air conditioning system or household appliance if reasonable care has not been exercised.

I. Conformity to Statutes

Any provision of this policy, which is in conflict with state or local law, is amended to conform to the law.

J. Liberalization

If we broaden the coverages provided by your policy without an additional premium charge, the changes will automatically apply to your policy as of the effective date on which the changes are adopted in your state.

K. Bankruptcy or Death

The **insured person's** bankruptcy or insolvency shall not relieve us of any of our obligations. Further, if the **insured person** dies or becomes bankrupt or insolvent during the Policy Period, this policy, unless cancelled, will cover the **insured person's** legal representative for the remainder of the Policy Period.

L. Legal Action Against Us.

No action shall be brought against us unless the **insured person** has complied with this policy's provisions and for Liability coverage, not until final judgment or agreement has set the amount of the **insured person's** legal obligation to us.

You also agree to bring any action against us within one year after a loss occurs, but not until thirty (30) days after proof of loss has been filed and the amount of loss has been determined.

For Liability coverage, no one has the right to join us in any action against any other **insured person**.

M. Appraisals

If you and we fail to agree on the amount of loss, either party may make a written demand that each selects an independent appraiser. In this event, the parties must notify each other of their selection within twenty (20) days. The independent appraisers will select an arbitrator within fifteen (15) days. If an arbitrator is not agreed upon within that time, either party may request the arbitrator be selected by a judge. The independent appraisers will then appraise the loss and submit any differences to the arbitrator. A decision in writing agreed to by the two appraisers or either appraiser and the arbitrator will be binding. Each appraiser will be paid by the party that has selected the appraiser. You and we will share the expenses of the arbitrator equally.

N. Other Insurance

If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.

O. Mortgage Clause.

The word mortgagee includes trustee. If a mortgagee is named in this policy, any covered loss will be paid to you and the mortgagee as interests appear. If there is more than one mortgagee named in this policy, the order of payment will be identical to the order of precedence.

If your claim is denied, the denial will not apply to a valid claim submitted by the mortgagee if they:

1. Notify us of any change in ownership or substantial change in risk of which they are aware;
2. Pay any premium due on this policy or on demand if you have neglected to pay the premium; and
3. Submit a sworn statement of loss within sixty (60) days after receiving notice from us of your failure to do so.

If your policy is cancelled or not renewed by us, the mortgagee will be notified in writing at least ten (10) days before the cancellation or non-renewal takes effect.

If we deny payment to you but pay the mortgagee:

1. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
2. At our option, we may pay the mortgagee the entire principal on the mortgage plus any accrued interest. In this event we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

Subrogation will not impair the right of the mortgagee to recover the full amount under the mortgagee's claim.

P. Your Cancellation

You may cancel this policy or any part of it at any time by notifying us in writing of the future date that the cancellation is to take effect .

Q. Our Cancellation

To cancel this policy we must notify you in writing. This notice will be mailed to you at the last mailing address shown on the Declarations Page and we will obtain an U.S. Post Office certificate of mailing. This notice will include the date the cancellation is to take effect and the reason for the cancellation. It shall also state that any excess premium, if not returned, shall be refunded on demand. In the event of cancellation by you or by us, we will refund any unearned premium on the effective date of cancellation, or as soon as possible afterwards. The unearned premium will be computed *pro rata* for the unexpired term of the policy.

We may cancel this policy subject to the following conditions:

1. Nonpayment of Premium

If you fail to pay the premium by the date it is due we may cancel this policy with (ten) 10 days notice, whether the premium is due to us, to our agent, or under any finance or credit plan.

2. Misrepresentation

We may cancel this policy with thirty (30) days notice if there has been a material misrepresentation of fact or omission of fact either of which, if known to us, would have caused us not to issue the policy.

3. Increase in Hazard

We may cancel this policy with thirty (30) days notice in the event or circumstance of a material increase in, or a change to, the covered property that increases the hazard insured against.

4. Conviction of Crime

We may cancel this policy with thirty (30) days notice if you have been convicted of a crime arising out of an act that increases the hazard insured against.

R. Nonrenewal

If we elect not to renew this policy, we shall mail to you at the last address known to us written notice of nonrenewal not less than thirty (30) days before the end of the Policy Period as stated on the Declarations Page.

Regardless, this policy will terminate at the end of the Policy Period stated on the Declarations Page if you have failed to discharge when due any of your obligations in connection with the payment of premium for the renewal of this

policy, or if you have notified us or our agent
that you do not wish this policy to be renewed.

Proof of mailing of notice mentioned above shall
be sufficient proof of notice.

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In witness whereof, we have caused this policy to be executed and attested, and if required by state law
this policy shall not be valid unless countersigned by our authorized representative.

Chartis Property Casualty Co



Secretary



President

Includes copyrighted material from Insurance Services Office, Inc. with its permission.

Chartis U.S. Privacy and Data Security Notice

About This Notice

This Privacy and Data Security Notice applies only to your Personal Information (see definition below) obtained by one of the Chartis U.S. Companies or their affiliates listed at the end of this notice, in connection with the products or services one of those companies provided primarily for your personal, family, or household purposes in connection with which you are receiving this notice.

Chartis U.S. has established practices, procedures and system protections that are designed to help protect the privacy and security of Personal Information that we collect in the course of conducting our business. This notice outlines how we collect, handle, and disclose Personal Information about you.

The term "Personal Information," as used in this Privacy and Data Security Notice, means information that identifies you personally. Examples of Personal Information include a first and last name, a home or other physical address, an email address, a financial account or credit card number, a driver's license number, or information on your physical condition or health status.

I. Information Privacy

We may collect Personal Information from applications, enrollment forms, in claims processing, or in your other interactions with us and with our Affiliates. We may also collect Personal Information from credit reporting agencies and other third parties in connection with the sale of our products to you.

We will collect Personal Information only in accordance with applicable laws or regulations, whether we collect it in response to your request for a product or service from us or otherwise.

Information Sharing

We may share your Personal Information with Affiliates and Non-Affiliates as described below.

With our Affiliates: Our Affiliates may include other insurance companies, insurance holding companies, insurance agents and agencies, claims administrators, marketing companies, e-commerce service providers, and companies providing administrative services.

We may share your Personal Information, including Personal Information of a health nature, with our Affiliates that assist us in servicing your insurance policies. Examples are administration (billing and collections), risk management, underwriting, and claims handling. We may also share your Personal Information with our Affiliates for the purpose of detecting and preventing fraud, as directed or authorized by you, or as otherwise permitted or required by law.

With Non-Affiliates:

We may share your Personal Information, including Personal Information of a health nature, with Non-Affiliates that assist us in servicing your insurance policies. Examples are administration (billing and collections), risk management, underwriting, and claims handling. We may also share your Personal Information with Non-Affiliates for the purpose of detecting and preventing fraud, as directed or authorized by you, or as otherwise permitted or required by law.

We may also enter into joint marketing agreements with Non-Affiliates to share your non-health Personal Information as permitted by law. These Non-Affiliates may include providers of financial products or services such as insurance companies, financial institutions, and securities firms.

Because we do not share Personal Information with either Affiliates or Non-Affiliates in any other way, there is no need for an opt-out process in our privacy procedures.

For California and Vermont Residents: If it becomes necessary to share your Personal Information with Non-Affiliates other than as specifically allowed by law, we will not do so without first obtaining your permission.

II. Data Security

To help prevent unwarranted disclosure of your Personal Information and secure it from theft, we utilize secure computer networks. Access is restricted to those persons who have a business need to use your Personal Information to provide products or services to you. We also maintain physical, electronic, and procedural safeguards designed to protect your Personal Information in compliance with federal and state privacy and information security laws. Non-Affiliates that assist us in servicing insurance policies or who enter into joint marketing agreements with us are required to take measures to maintain the security of your Personal Information in compliance with federal and state privacy and information security laws.

III. Maintaining Personal Information

We also maintain procedures to ensure that the Personal Information we collect is accurate, up-to-date, and as complete as possible. If you believe the information we have about you in our records or files is incomplete or inaccurate, you may request that we make additions or corrections, or if it is feasible, that we delete this information from our files. You may make this request in writing to (include your name, address and policy number):

**Chief Privacy Officer
Chartis U.S.
175 Water Street, 17th Floor
New York, NY 10038
Fax: 212 458-7081
E-Mail: CIPrivacy@chartisinsurance.com**

Special Notice: You can obtain access to any non-public Personal Information we have about you if you properly identify yourself and submit a written request to the address above describing the information you want to review. We will also tell you the identity, if recorded, of persons to whom we have disclosed your non-public Personal Information within the preceding two years.

You may request that we correct, amend or delete information about you. If we do so, we will notify organizations that provided us with that information and, at your request, persons who received that information from us within the preceding two years. If we cannot grant your request to correct, amend or delete the information, you may give us a written statement of the reasons you disagree, which we will place in your file and give to the same parties who would have been notified of the requested change.

Our Customers Can Depend on Us

We are committed to maintaining our trusted relationship with our Customers. We consider it our privilege to serve our Customers' insurance and financial needs and we value the trust they have placed in us. Our Customers' privacy is a top priority. We will continue to monitor our practices in order to protect that privacy and will comply with state privacy laws that require more restrictive practices than those set out in this notice.

Important Information Concerning the Applicability and Future Changes to this Privacy and Data Security Notice

We may change this Privacy and Data Security Notice from time to time, and if particular changes are required by law to be communicated to you, we will do so.

You may have received this notice in connection with products or services provided to you by one of the following Companies: American Home Assurance Company; Chartis Casualty Company; Chartis Property Casualty Company; Chartis Select Insurance Company; Chartis Specialty Insurance Company; Commerce and Industry Insurance Company; Granite State Insurance Company; Illinois National Insurance Co.; Landmark Insurance Company; Lexington Insurance Company; National Union Fire Insurance Company of Pittsburgh, Pa.; National Union Fire Insurance Company of Vermont; New Hampshire Insurance Company; The Insurance Company of the State of Pennsylvania; other Chartis U.S. companies, and American International Life Assurance Company of New York and American General Life Insurance Company of Delaware.

ADDITIONAL INSURED - LLC or TRUST

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

It is agreed and understood that **Part I. DEFINITIONS , Insured Person** has been amended to include the person or organization named below for the specified location:

Location: 1985-4 Cedar Swamp Rd
Brookville, NY 11545

Additional Insured: 1985-4 Cedar Swamp Road, LLC

Name of Person or Organization: 1985-4 Cedar Swamp Road, LLC

Address: 1985-4 Cedar Swamp
Road
Brookville, NY 11545

Interest: Additional Insured

The definition of **insured person** in this policy includes the person or organization named above with respect to:

Part III. LIABILITY but only with respect to the **residence** named above.

If the organization listed above is a limited liability corporation, the members and managers are also an **insured person**, but only with respect to the conduct of your affairs.

If the organization listed above is a trust, your trustees are also an **insured person**, but only with respect to their duties as trustees.

This coverage does not apply to **bodily injury** or **personal injury** to any employee arising out of or in the course of the employee's employment by the person or organization listed above.

If we decide to cancel or not to renew this policy, the party named above will be notified in writing.

* Entries may be left blank if shown elsewhere in this policy for this coverage.

EQUIPMENT BREAKDOWN COVERAGE

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

As respects the following location:

1985-4 Cedar Swamp Rd
Brookville, NY 11545

The following additional coverage is added to the Private Client Group Homeowners policy.

AGREEMENT

We will provide the insurance described in this endorsement in compliance with all applicable provisions of this policy. The most we will pay for loss, damage or expense under this endorsement arising from any **one accident** is \$250,000. Coverage provided under this endorsement does not increase any limit of liability under Part II, PROPERTY.

DEFINITIONS

The following definitions are added:

1. **Accident** means sudden and accidental:
 - a. mechanical or electrical breakdown; or
 - b. tearing apart, cracking, burning or bulging of a steam or hot water heating system, or an air conditioning system;that results in direct physical damage to **covered equipment**.
2. **Covered equipment**
 - a. **Covered equipment** means property, other than **contents**, covered under Part II -- PROPERTY:
 - (1) that generates, transmits or utilizes energy; or
 - (2) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.
 - b. None of the following is **covered equipment**:
 - (1) supporting structure, cabinet or compartment;
 - (2) insulating material;
 - (3) sewer piping, buried vessels or piping, or piping forming a part of a fire protective sprinkler system;
 - (4) water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - (5) kitchen or laundry appliances, other than those permanently installed, including but not limited to, refrigerator, dishwasher, oven, stove, clothes washer or clothes dryer; or
 - (6) electronic entertainment or computer equipment, including but not limited to:
 - (a) television equipment inclusive of plasma television equipment;
 - (b) stereo equipment; or
 - (c) any electronic component used with such electronic entertainment or computer equipment.

Covered equipment does, however, include permanently installed wiring associated with such electronic entertainment or computer equipment.

3. **One accident** means: If an initial **accident** causes other **accidents**, all will be considered **one accident**. All **accidents** that are the result of the same event will be considered **one accident**.

PROPERTY COVERAGES

1. We will pay for direct physical damage to **covered equipment** that is the result of an **accident**.
2. **Additional Living Expense**
Coverage for Additional Living Expense, as provided under C. Additional Coverages, is extended to the coverage provided by this endorsement. We will pay up to \$20,000 per **accident** under this coverage. We will not pay for any expense incurred by you beyond 30 days after the **accident** even if it takes more than 30 days to restore your residence to a habitable condition or for your household to permanently locate elsewhere.

EXCLUSIONS

The following exclusions are added:

1. We will not pay under this endorsement for loss, damage or expense caused by or resulting from electrical power surge or brownout.
2. We do not cover under this endorsement any property that is not **covered equipment**.

DEDUCTIBLE

The following deductible provision replaces any other deductible provision in the policy or on the Declarations Page with respect to loss covered under this endorsement.

In case of a loss under this endorsement, we will pay only for that part of the loss over \$500. No other deductible applies to this coverage.

This deductible applies to the affected equipment regardless of any other deductible in this policy or any other policy. Your homeowner deductible will apply to any ensuing loss, but will be reduced by this deductible amount.

CONDITIONS

The following conditions are added:

1. **Environmental, Safety and Efficiency Improvements**
If **covered equipment** requires replacement due to an **accident**, we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.
However, we will not pay more than 125% of what the cost would have been to replace with like kind and quality. This condition does not increase any of the applicable limits.
2. **Payment of a Loss**
Losses under this endorsement will be settled as follows:
- a. Our payment for damaged **covered equipment** will be the smallest of:
- (1) The coverage limit shown for Equipment Breakdown;
 - (2) The cost to repair the damaged **covered equipment**;
 - (3) The cost to replace the damaged **covered equipment** on the same premises;
or
 - (4) The necessary amount actually spent to repair or replace the damaged **covered equipment**.

- b. Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged **covered equipment** with property of a better kind or quality or of a different size or capacity.
- c. If you do not repair or replace the damaged **covered equipment** within 24 months, after the date of the **accident**, then we will pay only the smaller of the:
 - (1) Cost it would have taken to repair at the time of the **accident**; or
 - (2) Actual cash value at the time of the **accident**.

Flood Coverage

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

As respects the following location:

1985-4 Cedar Swamp Rd

Brookville, NY 11545

Flood Zone Assignment:

X	Flood zone B, C, or X
	Flood zone A or V
	Flood zone D

As respects **Flood** coverage provided by this endorsement, PART I - DEFINITIONS is amended to include the following:

Flood means:

1. A general and temporary condition of partial or complete inundation of normally dry land area from:
 - a. Overflow of inland or tidal waters;
 - b. Unusual and rapid accumulation or runoff of surface waters from any source; or
 - c. **Mudflow**.
2. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a **flood** as defined in 1.a. above.

All flooding in a continuous or protracted event will constitute a single **flood**.

Landslide means the rapid movement of a mass of soil downslope along a curved or planar failure surface, without deformation of the soil structure.

Mudflow means a river of liquid and flowing mud occurring on level or near-level surfaces of normally dry land areas that have not been affected by **landslide**, as when earth is carried by a current of water. Other earth movements, such as **landslide**, slope failure, or a saturated soil mass moving by liquidity down a slope, are not **mudflows**.

National Flood Insurance Program (NFIP) means the program of **flood** insurance coverage and flood-plain management administered under the Act and applicable Federal regulations in Title 44 of the Code of Federal Regulations, Subchapter B.

Special Flood Hazard Area (SFHA) means an area having special **flood**, or **mudflow**, and/or **flood**-related erosion hazards, and shown on a **Flood** Hazard Boundary Map or **Flood** Insurance Rate Map as Zone A, AO, A1-A30, AE, A99, AH, AR, AR/A, AR/AE, AR/AH, AR/AO, AR/A1-A30, V1-V30, VE, or V.

PART II - PROPERTY, C. Additional Coverage is amended as follows:

The following Additional Coverage is added

Flood

We will pay for physical loss or damage to your **house, contents or other permanent structures** including debris removal caused directly by **flood** unless an exclusion applies.

The Flood Insurance Rate Map (FIRM) in place as of the effective date of the policy or renewal term determines the amount we will pay for a covered loss.

Payment of a Loss:

For your listed **residence** located in a designated B, C or X flood zone eligible for the Preferred Risk Program of the **NFIP**:

1. We will pay up to the lesser of the coverage limit shown on your Declarations Page or \$250,000 for **property damage** to your **house** and **other permanent structures**. These payments do not increase the amount of your coverage.
2. We will pay up to the lesser of the coverage limit shown on your Declarations Page or \$100,000 for **property damage** to your **contents** located at the covered **residence**. These payments do not increase the amount of your coverage.
3. We will pay up to \$250,000 for Additional Living Expenses, which consist of:
 - a. Extra living expenses - the reasonable increase in living expenses incurred by you to maintain your household's usual standard of living if your **residence** is uninhabitable. Payment will continue for the shortest reasonable amount of time necessary to restore your residence to a habitable condition or for your household to relocate elsewhere. Extra living expense payment will be made up to a maximum of one (1) year from the date of a covered **flood** loss.
 - b. Loss of fair rental value - if you are not able to rent out your **residence**, or part of your **residence**, that you usually rent to others, we will pay the fair rental value for the reasonable amount of time necessary to restore your **residence** or that part of your **residence** to a habitable condition. Fair rental value payments will be made up to a maximum of one (1) year from the date of a covered **flood** loss.
 - c. Forced evacuation - if you are forced to evacuate your **residence** as a direct result of loss or a reasonable threat of loss due to **flood**, we will reimburse you for the reasonable increase in your living expenses necessary to maintain your household's normal standard of living for up to thirty (30) days.

These payments do not increase the amount of your coverage.

4. We will pay up to \$75,000 for the extra expense to obey any law or ordinance that regulates the repair, rebuilding or demolition of property damaged by **flood**. These payments do not increase the amount of your coverage.
5. We will pay up to \$25,000 for the expense you incur for a structural engineering inspection to determine whether your **house** or **other permanent structure** is safe to occupy; and, if required, the demolition of your **house** or **other permanent structures** when an order of structural condemnation is issued by a public entity. These payments do not increase the amount of your coverage.

- 6 We will pay up to \$10,000 for the expense you incur to protect your **residence** from a **flood** or imminent danger of **flood**. These payments do not increase the amount of your coverage. Your deductible does not apply to this coverage.

For your listed **residence** located in a designated **Special Flood Hazard Area**, flood zone **D**, or a **B**, **C** or **X** flood zone not eligible for coverage in the Preferred Risk Program of the **NFIP**:

The coverage limits specified below will be reduced by any payments available through the **NFIP** policy insuring the **residence** or if the **residence** is ineligible for an **NFIP** policy or eligible to be written under an **NFIP** policy but there is no such policy in effect, then we will pay only for the amount of loss in excess of the maximum limit that can be insured under the **NFIP** policy. If we provide broader coverage than the **NFIP** policy, we will pay the difference in conditions not to exceed the limits defined below whether or not you can collect on the **NFIP** policy.

The most we will pay for each **occurrence** is as follows:

1. We will pay up to the lesser of \$250,000; the "Coverage A - Building Property Limit" listed on the most recent **NFIP** Declarations Page; or the coverage limit shown on your Declarations Page for **property damage** to your **house** and **other permanent structures**.
2. We will pay up to the lesser of \$100,000; the "Coverage B - Personal Property Limit" listed on the most recent **NFIP** Declarations Page; or the coverage limit shown on your Declarations Page for **property damage** to your **contents** located at the covered **residence**.
3. We will pay up to \$250,000 for Additional Living Expenses, which consist of:
 - a. Extra living expenses - the reasonable increase in living expenses incurred by you to maintain your household's usual standard of living if your **residence** is uninhabitable. Payment will continue for the shortest reasonable amount of time necessary to restore your **residence** to a habitable condition or for your household to relocate elsewhere. Extra living expense payment will be made up to a maximum of one (1) year from the date of a covered **flood** loss.
 - b. Loss of fair rental value - if you are not able to rent out your **residence**, or part of your **residence**, that you usually rent to others, we will pay the fair rental value for the reasonable amount of time necessary to restore your **residence** or that part of your **residence** to a habitable condition. Fair rental value payments will be made up to a maximum of one (1) year from the date of a covered **flood** loss.
 - c. Forced evacuation - if you are forced to evacuate your **residence** as a direct result of loss or a reasonable threat of loss due to **flood**, we will reimburse you for the reasonable increase in your living expenses necessary to maintain your household's normal standard of living for up to thirty (30) days.

These payments do not increase the amount of your coverage.

4. We will pay up to \$75,000 for the extra expense to obey any law or ordinance that regulates the repair, rebuilding or demolition of property damaged by **flood**. These payments do not increase the amount of your coverage.
5. We will pay up to \$25,000 for the expense you incur for a structural engineering inspection to determine whether your **house** or **other permanent structure** is safe to occupy; and, if required, the demolition of your **house** or **other permanent structures** when an order of structural condemnation is issued by a public entity. These payments do not increase the amount of your coverage.

6. We will pay up to \$10,000 for the expense you incur to protect your **residence** from a **flood** or imminent danger of flood. These payments do not increase the amount of your coverage. Your deductible does not apply to this coverage.

PART II - PROPERTY, D. Exclusions, is amended as follows:

A. The following exclusion is deleted in its entirety and replaced as follows:

1. Surface and Ground Water Damage

We do not cover any loss caused by:

- a. **Flood**, surface water, waves, tidal water overflow of a body of water, or spray from any of these, whether or not driven by wind; or
- b. Water below the surface of the ground, including water which exerts pressure on, or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

This exclusion does not apply to:

- a. **Contents** away from any **residence** you own or live at;
- b. Ensuing covered loss unless another exclusion applies; or
- c. Coverage provided under PART II - PROPERTY. Additional Coverage. **Flood**.

B. With respect to **Flood** coverage, the following exclusions are added:

1. We do not cover any loss or **property damage** caused by or resulting from any **flood** that is already in progress at the time and date:
 - a. the policy term begins; or
 - b. coverage is added at your request

If the **flood** is due to the overflow of inland or tidal waters, then the **flood** is considered to begin when the water first overflows its banks.

2. We will not pay that part of the loss that is attributable to any Deductible(s) in the **NFIP** policy.
3. We do not cover any loss or **property damage** caused by or resulting from earth movement, such as **landslide**, slope failure, or a saturated soil mass moving by liquidity down a slope whether caused directly or indirectly by **flood**.

PART IV - CONDITIONS, is amended as follows:

The Other Insurance provision is deleted and replaced by the following:

Other Insurance

For your listed **residence** located in a designated B, C or X flood zone eligible for the Preferred Risk Program of the **NFIP** or in flood zone D:

If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.

For your listed **residence** located in a designated **Special Flood Hazard Area** or a B, C or X flood zone not eligible for coverage in the Preferred Risk Program of the **NFIP**:

Payments under this coverage are in excess over the payments made by the **NFIP** policy. This provision applies whether or not the maximum **NFIP** limit was obtained or maintained, and whether or not you can collect on the **NFIP** policy.

Fraud SafeGuardSM Coverage

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

SCHEDULE

	Limit of Insurance	Deductible
Fraud, Embezzlement or Forgery	\$100,000 (each event) \$100,000 (each insured annual aggregate)	\$250
ATM Robbery	\$2,500 (each insured) \$2,500 (each insured annual aggregate)	No deductible applies
Stolen Identity Event	\$100,000 (each event) \$100,000 (each insured annual aggregate)	No deductible applies

It is agreed and understood that **PART I - DEFINITIONS** has been amended to include the following:

Forgery means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose. **Forgery** will result directly from **forgery** of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in money that are:

- a. Made or drawn by or drawn upon you or a **family member**; or
 - b. Made or drawn by one acting as your or a **family member's** agent;
- or that are purported to have been so made or drawn.

Fraud or embezzlement means:

- a. An electronic, telegraphic, cable, teletype, telefacsimile, telephone, computer, or magnetic tape instruction which purports to have been transmitted by you or a **family member**, but which was in fact fraudulently transmitted by someone else without your or a **family member's** knowledge or consent;
- b. A written instruction issued by you or a **family member**, which was forged or altered by someone other than you or a **family member** without your or a **family member's** knowledge or consent, or which purports to have been issued by you or a **family member** but was in fact fraudulently issued without your or a **family member's** knowledge or consent; or
- c. Any other intentional perversion of truth by someone other than you or a **family member** perpetrated in order to induce you or a **family member** to part with something of value.

Fraud Safeguard event means **fraud, embezzlement, or forgery, ATM robbery, or stolen identity event** as set forth in this endorsement.

Money means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders.

Other property means and is limited to jewelry, precious metals, antiques, fine art, ceramics, furs, collectibles, and gemstones.

Restoration Services means those services performed in response to a **stolen identity event**, and on your or a **family member's**, behalf after receipt of authorization from you or a **family member**, including but not limited to:

1. Providing you or a **family member** with a package of information which includes a description of the resolution process, educational articles, and guidance for avoiding future complications.
2. Notifying the three major credit bureaus and providing assistance with requesting that a fraud alert be placed on your or a **family member's** credit files and affected credit accounts.
3. Reviewing your or a **family member's** credit files with you or a **family member** to determine the accuracy of the file and potential areas of fraud.
4. Notifying as needed, your or a **family member's** affected creditors, financial institutions, credit card companies, utility providers, and merchants of the identity fraud.
5. Providing information to the Federal Trade Commission (FTC), and to other government agencies as appropriate.
6. When appropriate, providing assistance with obtaining and reviewing your Social Security Personal Earnings and Benefits Statement.
7. Creating and maintaining a case file to document the identity fraud.
8. When appropriate, providing other assistance we might reasonably be able to offer you or a **family member** on a case by case basis, as determined in our sole and absolute discretion.

We reserve the right to refuse or terminate the provision of restoration services where you or a **family member** are deemed to be committing fraud or other illegal acts, making untrue statements, or failing to perform your or the **family member's** portion of the recovery plan.

Robbery means the unlawful taking of property from the care and custody of a person, accomplished by means of force or fear.

Securities mean negotiable and non-negotiable instruments or contracts representing either **money** or property.

Stolen identity event means the illegal use of your or a **family member's** name, social security number, or other method of identity without permission.

It is agreed and understood that **PART III - LIABILITY** has been amended to include the following:

FRAUD SAFEGUARD

Insuring Agreements

A. Fraud, Embezzlement or Forgery

We will pay you or a **family member** for loss of **money, securities, or other property** up to the applicable Limits of Insurance shown in the schedule, resulting directly from **fraud, embezzlement, or forgery** perpetrated against you or a **family member** during the Policy Period. The loss must be discovered not later than ninety (90) days from the end of the Policy Period.

B. ATM Robbery

We will pay you or a **family member**, up to the applicable Limits of Insurance shown in the schedule, for loss of **money** resulting directly from a **robbery** that occurs within 100 feet from an Automatic Teller Machine (ATM), immediately after withdrawing such **monies** from the same ATM. This coverage does not apply to any other loss of money or valuables in your or a family member's possession resulting from the robbery.

C. Stolen Identity Event

We will pay Costs and Legal Costs, as set forth below in Payment of Loss for a **stolen identity event**, up to the applicable Limits of Insurance shown in the schedule, including a **stolen identity event** occurring on or arising out of the use of the Internet. The **stolen identity event** must occur and be discovered during the Policy Period.

1. Payment of Loss For A Stolen Identity Event**a. Costs**

1. Costs incurred by you or a **family member** for re-filing applications for loans, grants, other credit or debt instruments that are rejected solely because the lender received from any source incorrect information as a result of a **stolen identity event**;
2. Costs for notarizing affidavits or other similar documents, long distance telephone calls, and postage reasonably incurred as a result of your or a **family member's** efforts to report a **stolen identity event** or amend or rectify records as to your or a **family member's** true name or identity as a result of a **stolen identity event**;
3. Costs incurred by you or a **family member** for a maximum of six (6) credit reports from an entity approved by us. The first credit report may not be requested until after the discovery of a **stolen identity event**;
4. Costs for contesting the accuracy or completeness of any information contained in a credit report following a **stolen identity event**;
5. Actual lost wages not to exceed \$10,000 that would have been earned in the United States, whether partial or whole days, for time reasonably and necessarily taken off work and away from your or a **family member's** work premises solely as a result of your or a **family member's** efforts to amend or rectify records as to your or a **family member's** true name or identity as a result of a **stolen identity event**. Actual lost wages includes remuneration for vacation days, discretionary days, floating holidays, and paid personal days but not for sick days or any cost arising from time taken from self-employment. Coverage is limited to wages lost within twelve (12) months after your or a **family member's** discovery of a **stolen identity event** and is limited also to the applicable Aggregate Limits of Insurance shown in the schedule.

b. Legal Costs

Costs for reasonable fees for an attorney appointed by us and related court fees, incurred by you or a **family member** with our consent, for:

1. Any legal action brought against you or a **family member** by a creditor or collection agency or entity acting on behalf of a creditor for non-payment of goods or services or default on a loan as a result of a **stolen identity event**;
2. Removing any civil judgment wrongfully entered against you or a **family member** as a result of a **stolen identity event**; and
3. Criminal defense for charges brought against you or a **family member** as a result of a **stolen identity event**.

2. Additional Coverage - Stolen Identity Event**Restoration Services**

We will provide you or a **family member** with **restoration services** after a **stolen identity event**. The **stolen identity event** must occur during the Policy Period. Restoration services expenses do not reduce the amount of limit available under Payment of a Loss for a **stolen identity event**.

Special Limits of Insurance

1. We will only pay the amount of loss in excess of any applicable Deductible, up to the applicable Limit of Insurance shown in the schedule for that coverage.

2. The most we will pay each **insured** for all loss resulting from **fraud, embezzlement, or forgery** is the Fraud, Embezzlement, or Forgery Each Insured Aggregate Limit shown in the schedule.
3. The most we will pay each insured for all loss resulting from a **stolen identity event** is the Stolen Identity Each Insured Aggregate Limit shown in the schedule.
4. The most we will pay each insured for all loss resulting from an ATM Robbery is the ATM Robbery Each Insured Aggregate Limit shown in the schedule.
5. All loss arising from continuous, repeated, or related **fraud safeguard events** will be treated as one **fraud safeguard event**.
6. The most we will pay for any loss is the applicable Limit of Insurance. If, however, a loss:
 - a) Exceeds the applicable Limit of Insurance; and
 - b) There is more than one **insured person** claiming a loss; and
 - c) The combined loss is greater than the Limit of Insurance for any one **insured person**; and
 - d) The affected **insured persons** can reasonably demonstrate joint ownership of the **money, securities, or other property**;
we will pay each **insured person** up to the applicable Limit of Insurance for **money, securities, or other property**, until the loss is satisfied, but under no circumstance will we pay:
 - 1) more than the adjusted value of the **money, securities, or other property**; or
 - 2) each **insured person** for the same **money, securities or other property**, or portion thereof.
7. We will not pay for loss for any occurrence of **fraud, embezzlement, or forgery** until the amount of loss exceeds the Fraud, Embezzlement, or Forgery Deductible shown in the schedule. A separate Fraud, Embezzlement, or Forgery Deductible will apply to each insured.

It is agreed and understood that **PART III - LIABILITY**, Exclusions, has been amended to include the following:

As respects FRAUD SAFEGUARD coverage provided by this endorsement:

This insurance does not provide coverage for liability, defense costs or any other cost or expense for:

1. Intentional Loss

We do not cover any loss for any act committed at your or a **family member's** direction or with your or a **family member's** knowledge.

2. Dishonest Acts

We do not cover any loss arising out of any dishonest or criminal act by you or a **family member**.

3. Confiscation

We do not cover any loss caused by the confiscation, destruction, or seizure of property by any government or public entity or their authorized representative.

4. Computer Error

We do not cover any loss resulting from an error in computer programming or error in instructions to a computer.

5. Business Or Professional Services

We do not cover any loss arising out of a **business** or professional service engaged in by you or a **family member**.

6. Property Damage, Bodily Injury, or Personal Injury.

We do not cover any **bodily injury, property damage, or personal injury.**

7. Financial Guarantees

We do not cover any guarantee of the financial performance of any financial instrument or investment vehicle.

8. Indirect Loss

We do not cover any loss that is an indirect result of any **fraud guard event** including but not limited to:

- a) Your or a **family member's** inability to realize income that you would have realized had there been no loss or damage to **money, securities, or other property;**
- b) Payment of damages of any type for which you or a **family member** are legally liable; or
- c) Payment of costs, fees or other expenses you or a **family member** incur in establishing either the existence or the amount of loss under this endorsement other than those set forth under this endorsement.

9. Legal Expenses

Expenses related to any legal action, except as set forth in this endorsement related to a **stolen identity event.**

10. Games of Chance

Any loss resulting from any game of chance.

11. Forgeries

Any **forgery** that is electronic, digital, or mechanical.

12. Service Disputes

Any loss arising out of any dispute or disagreement concerning the quality of goods or services unless the loss arises out of **fraud, embezzlement, or forgery.**

13. Not-for-Profit Organizations

Any loss arising out of the giving of any contribution, donation, restricted gift, or payment of any kind to any not-for-profit organization.

14. Investment Loss Due to Corporate Fraud

We do not cover any loss due to the change in value of **securities** issued by a business where loss results directly or indirectly from or alleges or involves in any manner whatsoever, **fraud, embezzlement or forgery** by the business including but not limited to its Directors or Officers, which issued the **securities.**

It is agreed and understood that **PART IV - CONDITIONS** has been amended to include the following:

A. Your or a Family Member's Duties After a Fraud Safeguard Event

In the event of a **Fraud Safeguard Event** or loss you or a **family member** must:

1. Notify the police if a law may have been broken;
2. Provide us with a police report or a report that was submitted to the appropriate civil authorities;
3. Give us prompt notice of the loss;
4. Take action to avoid future loss, including securing any **residence**, safeguarding your or a **family member's** assets and ending your or a **family member's** business relationship with any one responsible for a **Fraud Safeguard Event;**

5. As soon as possible, give us a description of how, when, and where the loss occurred and a description of the loss, including a description of **money, securities, and other property**;
6. If requested, permit us to question you and **family members** under oath at such times as may be reasonably required, about any matter relating to this insurance or your or a **family member's** claim, including inspection of your or a **family member's** books and records. In such event, your or a **family member's** statement containing your or a **family member's** answers will be signed;
7. Send us a signed, sworn proof of loss or affidavit containing the information we request to investigate the claim. You or a **family member** will do this within thirty (30) days after our request. We will supply you or a **family member** with the necessary forms;
8. In the event of a credit card loss, in addition to all of the above, you or a **family member** will notify the credit card service company or the issuing bank immediately, but in no event no later than two (2) business days after discovery;
9. Upon discovery of an event of a loss involving an electronic fund transfer, in addition to all of the above, you or a **family member** will notify the service providers and financial institutions involved in the transfer immediately, but in no event no later than two (2) business days after discovery;
10. You or a **family member** must cooperate with us in investigating, evaluating and settling a claim and help us:
 - a) Enforce any legal rights you, a **family member** or we may have against anyone who may be liable to you or a **family member**;
 - b) Attend depositions, hearings and trials; and
 - c) Secure and give evidence, and obtain the attendance of witnesses; and
11. We reserve the right to request any other reasonable document or action of you or a **family member**.

B. Valuation

1. Securities

In the event of a loss of **securities**, we may elect to pay you or a **family member** the cost of replacing such **securities**, determined by the market value at the time of such settlement. We will not be liable for more than the actual cash value of the **securities** at the close of business on the business day preceding the day on which the loss was discovered. If our payment is not sufficient to indemnify you or a **family member** in full for the loss of **securities**, our liability is limited to the replacement of or the payment for such **securities** whichever is less, but in no event will the payment be more than the applicable Limit of Insurance.

2. Foreign Currency

In the event of a loss of foreign currency, we will be liable for the United States dollar equivalent at the exchange rate published in the Wall Street Journal on the day of the discovery of the loss.

3. Other Property

In event of loss of **other property**, we will not be liable for more than the actual cash value of the **other property** on the date of the discovery of the loss, or for more than the actual cost of repairing or of replacing such property with property or material of like quality and value.

**Homeowners Amendatory Endorsement
New York**

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

Part II - PROPERTY, Additional Coverages, Ensuing **Fungi** or Bacteria is deleted and replaced by the following:

Fungi or Bacteria Remediation Expense

We will pay up to \$25,000 for the following expenses caused by the presence of **fungi** or bacteria which results from a covered loss, including;

- a. The cost to remediate, contain, treat, detoxify or neutralize **fungi** or bacteria;
- b. The cost of testing or monitoring of air or property to confirm the absence, presence or level of **fungi** or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of **fungi** or bacteria;
- c. The cost to remove debris of covered property containing **fungi** or bacteria beyond that which is required to remove debris of the covered property physically damaged by a covered loss;
- d. The cost to repair or replace covered property containing **fungi** or bacteria beyond that which is required to repair or replace the covered property physically damaged by a covered loss; and
- e. Up to \$5,000 for the reasonable increase in living expenses incurred by you to maintain your household's usual standard of living if your **residence** is uninhabitable due to **fungi** or bacteria remediation. Payment will continue for the shortest period of time necessary to restore your **residence** to a habitable condition.

This **fungi** or bacteria remediation expense limit does not apply to **fungi** or bacteria resulting from a covered loss caused by fire or lightning. Therefore, for a covered loss caused by fire or lightning, the increased costs that are **fungi** or bacteria remediation expenses described above are covered as part of such covered loss up to the amount of coverage for your **house, other permanent structures**, or for **contents** if **contents** coverage is provided under this policy.

Higher optional limits are available for an additional premium.

These payments do not increase the amount of coverage.

Part II - PROPERTY, Exclusions, **Fungi** or Bacteria is deleted and replaced by the following:

Fungi or Bacteria

We do not cover any loss caused by the presence, growth, proliferation, spread or any activity of **fungi** or bacteria including the cost to test for, monitor, clean up, move, remediate, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of **fungi** or bacteria.

This exclusion does not apply to:

- a. Coverage provided under PART II - PROPERTY. Additional Coverage. **Fungi** or Bacteria Remediation Expense; or
- b. **Fungi** or Bacteria resulting from fire or lightning unless another exclusion applies; or
- c. Ensuing covered loss unless another exclusion applies.

Part III - LIABILITY, Defense Coverage and Claim Expense, the last paragraph is deleted.

Part III - LIABILITY, Exclusions, Workers' Compensation or Disability is deleted and replaced by the following:

Workers' Compensation or Disability

Any **damages** or benefits an **insured person** is legally obligated to provide under any workers' compensation, disability benefits, Jones Act or General Maritime Law, unemployment compensation, occupational disease or similar law.

Part III - LIABILITY, Exclusions, Intentional Acts is amended as follows:

The sentence, "This exclusion applies even if the injury or damage is of a different kind or degree, or is sustained by a different person, than expected or intended." is deleted.

Part IV - CONDITIONS, Concealment or Fraud is deleted and replaced by the following:

Concealment or Fraud

We do not provide coverage for the **insured person** who, whether before or after a loss has:

1. Intentionally concealed or misrepresented any material fact or circumstance; or
 2. Engaged in fraudulent conduct;
- relating to this insurance.

Part IV - CONDITIONS, Legal Action Against Us is deleted and replaced by the following:

Legal Action Against Us

No action shall be brought against us unless the **insured person** has complied with this policy's provisions, nor until final judgment or agreement has set the amount of the **insured person**'s legal obligation with us. You also agree to bring any action against us within two (2) years after a loss occurs, but not until thirty (30) days after proof of loss has been filed and the amount of loss has been determined. No one has the right to join us in any action against any **insured person**.

Part IV - CONDITIONS, Our Cancellation is deleted and replaced by the following:

Our Cancellation

We may cancel the entire policy only for the reasons stated in this condition. The cancellation notice will be mailed to you at the address shown on the Declarations Page. Proof of mailing will be sufficient proof of notice.

1. When you have not paid the premium, we may cancel the entire policy at any time by mailing to you at least fifteen (15) days notice of cancellation. The cancellation notice shall state the amount of premium due.
2. When this policy has been in effect for less than sixty (60) days and is not a renewal with us, we may cancel the entire policy for any reason by letting you know at least 30 days before the date of cancellation takes place.
3. When this policy has been in effect for sixty (60) days or more, or at any time if it is a renewal with us, we may cancel the entire policy only for one or more of the following reasons by notifying the **insured person** at least thirty (30) days prior to the proposed cancellation date:
 - a. Conviction of a crime arising out of acts increasing the hazard insured against;
 - b. Discovery of fraud or material misrepresentation in obtaining the policy or in the presentation of a claim thereunder;
 - c. Discovery of willful or reckless acts or omissions increasing the hazard insured against;
 - d. Physical changes in the property insured occurring after issuance or last annual anniversary date of the policy which result in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the policy was issued or last voluntarily renewed; or
 - e. A determination by the Superintendent of Insurance that the continuation of the policy would violate or would place us in violation of the New York Insurance Law.

If one of the reasons listed in this Paragraph 3. exists, we may cancel the entire policy.

4. If we have the right to cancel, we may, instead of canceling this policy, amend the limits of liability or reduce coverage not required by law. If we take this action, we will notify you by mail at least twenty (20) days prior to the date of such change.

Delivery of such written notice by us to the **insured person** at the mailing address shown on the Declarations Page or at a forwarding address will be equivalent to mailing.

Part IV - CONDITIONS, Nonrenewal is deleted and replaced by the following:

Nonrenewal

We will not refuse to renew or condition our renewal of this policy except as allowed by the laws of the State of New York. The conditions may include, but are not limited to, amending the limits of liability or reducing coverage not required by law. If we elect not to renew this policy, we shall mail to you at the last address known to us written notice of non-renewal not less than forty-five (45) days but not more than sixty (60) days before the end of the Policy Period as stated on the Declarations Page. Proof of mailing will be sufficient proof of notice.

Regardless, this policy will cancel at the end of the Policy Period stated on the Declarations Page if you have failed to discharge when due any of your obligations in connection with the payment of premium for the renewal of this policy, or if you have notified us or our agent that you do not wish this policy to be renewed. Delivery of such written notice by us to the **insured person** at the mailing address shown on the Declarations Page or at a forwarding address will be equivalent to mailing.

Part IV - CONDITIONS, is amended to include the following:

Transfer of Duties When a Limit of Insurance Is Used Up

1. If we conclude that, based on **occurrences**, offenses, claims or suits which have been reported to us and to which this insurance may apply, the liability coverage limit as shown on the Declarations Page is likely to be used up in the payment of judgments or settlements, we will notify the **insured person**, in writing, to that effect.
2. When a limit of insurance described in paragraph 1. above has actually been used up in the payment of judgments or settlements:
 - a. We will notify the **insured person**, in writing, as soon as practicable, that:
 - i. Such a limit has actually been used up; and
 - ii. Our duty to defend suits seeking damages subject to that limit has also ended.
 - b. We will initiate, and cooperate in, the transfer of control, to any appropriate **insured person**, of all claims and suits seeking damages which are subject to that limit and which are reported to us before that limit is used up. That **insured person** must cooperate in the transfer of control of said claims and suits.

We agree to take such steps, as we deem appropriate, to avoid a default in, or continue the defense of, such suits until such transfer is completed, provided the appropriate insured is cooperating in completing such transfer.

We will take no action whatsoever with respect to any claim or suit seeking damages that would have been subject to that limit, had it not been used up, if the claim or suit is reported to us after that limit of insurance has been used up.
 - c. The first Named Insured, and any other **insured person** involved in a suit seeking damages subject to that limit, must arrange for the defense of such suit within such time period as agreed to between the appropriate insured and us. Absent any such agreement, arrangements for the defense of such suit must be made as soon as practicable.
3. The first Named Insured will reimburse us for expenses we incur in taking those steps we deem appropriate in accordance with paragraph 2. b. above.

The duty of the first Named Insured to reimburse us will begin on:

- a. The date on which the applicable limit of insurance is used up, if we sent notice in accordance with paragraph 1. above; or
 - b. The date on which we sent notice in accordance with paragraph 2.a. above, if we did not send notice in accordance with paragraph 1. above.
4. The exhaustion of any limit of insurance by the payments of judgments or settlements, and the resulting end of our duty to defend, will not be affected by our failure to comply with any of the provisions of this Condition.

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NEW YORK CREDIT DISCLOSURE NOTICE - RENEWALS

In connection with this insurance, we previously used a credit report or obtained or used a credit-based insurance score based on information contained in that report. We may obtain or use credit information again provided, however, upon renewal such information may only be used to reduce premiums. An insurance score uses information from your credit report to help predict how often you are likely to file claims and how expensive those claims will be. Typical items from a credit report that could affect a score include, but are not limited to, the following: payment history, number of revolving accounts, number of new accounts, the presence of collection accounts, bankruptcies and foreclosures. The information used to develop the insurance score comes from TransUnion Corporation.

IMPORTANT

LIMITED FUNGI OR BACTERIA COVERAGE NOTICE - NEW YORK

Please take special notice that your Homeowners Policy includes a provision that limits the remediation coverage for any loss or damage, which results from the presence, growth, spread or activity of **Fungi** or Bacteria. This limited coverage applies to PART II - PROPERTY.

- The amount of property insurance available for loss to your property caused by **fungi** or bacteria is reduced. Full coverage is provided, up to the limit of the policy, to correct a **fungi** or bacteria situation resulting from damage caused by a covered peril. However, coverage is limited to \$25,000 to repair or replace covered property containing **fungi** or bacteria beyond that which is required to repair or replace the covered property physically damaged by a covered loss.
- **Fungi** are defined in the policy language and include mold;
- Coverage is provided for the testing of air or property to confirm the absence, presence or level of **fungi** or bacteria.
- Coverage for wet or dry rot either as a proximate or ensuing loss is excluded.

PART II - PROPERTY

Fungi or Bacteria Remediation Expense

We will pay up to \$25,000 for the following expenses caused by the presence of **fungi** or bacteria which results from a covered loss, including;

1. The cost to remove, remediate, contain, treat, detoxify or neutralize **fungi** or bacteria;
2. The cost of testing or monitoring of air or property to confirm the absence, presence or level of **fungi** or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of **fungi** or bacteria;
3. The cost to remove debris of covered property containing **fungi** or bacteria beyond that which is required to remove debris of the covered property physically damaged by a covered loss;
4. The cost to repair or replace covered property containing **fungi** or bacteria beyond that which is required to repair or replace the covered property physically damaged by a covered loss; and
5. Up to \$5,000 for the reasonable increase in living expenses incurred by you to maintain your household's usual standard of living if your **residence** is uninhabitable due to **fungi** or bacteria remediation. Payment will continue for the shortest period of time necessary to restore your **residence** to a habitable condition.

This **fungi** or bacteria remediation expense limit does not apply to **fungi** or bacteria resulting from a covered loss caused by fire or lightning. Therefore, for a covered loss caused by fire or lightning, the increased costs that are **fungi** or bacteria remediation expenses described above are covered as part of such covered loss up to the amount of coverage for your **house, other permanent structures**, or for **contents** if **contents** coverage is provided under this policy.

These payments do not increase the amount of coverage.

Higher optional limits are available for an additional premium.

Fungi means any type or form of fungus, including but not limited to all forms of mold or mildew, and any mycotoxins, spores, scents, vapors, gas or substance, including any by-products, produced or released by **fungi**.

Household SafeGuardSM - New York

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

The following additional coverage is added to the Private Client Group Homeowners policy.

A. Insuring Agreement

We will pay you for expenses you incur solely and directly as a result of an **insured event** anywhere in the world except those countries where a Travel Warning has been issued by the United States State Department at the time of loss.

B. Payment of a Loss

Expenses

We will pay you for expenses you incur up to the coverage limits shown below. The most we will pay under this endorsement for all expenses arising from one **insured event occurrence** is \$250,000 regardless of how many policies, people or types of **insured events** are involved in the **insured event occurrence**. Coverage provided under this endorsement does not increase any limit of liability under PART II - PROPERTY or PART III - LIABILITY.

Expense means the reasonable and necessary costs of the following for:

1. The reasonable and necessary fees and expenses costs you incur up to 12 months following an **insured event** for the following:
 - a) A professional independent forensic analyst;
 - b) A professional public relations consultant;
 - c) A qualified interpreter;
 - d) An independent professional security consultant; or
 - e) An independent professional negotiator.

We will pay up to \$100,000 in total for each **insured event occurrence**.

2. **Medical expenses** incurred within 12 months by you, your **spouse** or a **family member** as a direct result of an **insured event** (or **guest** in the event of a **home invasion**).

We will pay up to \$50,000 for each person, up to a maximum of \$100,000 for each **insured event occurrence**;

3. Travel, accommodation, and meals incurred by you, your **spouse** or a **family member** including but not limited to travel costs while attempting to resolve an **event**; in the event of a **kidnapping** or **child abduction**, the costs to rejoin immediate family upon release; the costs to evacuate following an **event**; and in the event of a **home invasion** or **stalking** threat, the costs to temporarily relocate expense your household.

We will pay up to \$25,000 in total for each **insured event occurrence**;

4. Rest and rehabilitation expenses including travel, accommodations, meals and recreation of you, your **spouse** or **family member** as prescribed by a psychiatrist, physician or other authorized mental health professional (other than you or a family member) when incurred within 12 months of the **insured event**.

We will pay up to \$25,000 in total for each **insured event occurrence**;

5. The increased costs of security due to an **insured event** including but not limited to the hiring of additional security guards, hiring of armored vehicles and overtime paid to existing security staff for a period of 90 days.

We will pay up to \$25,000 in total for each **insured event occurrence**. In addition, with our prior approval, we will pay up to \$5,000 to improve the security of your **residence**, your motor vehicle or your **watercraft** to prevent a future **insured event**;

6. Lost salary of you, your **spouse** or a **family member** during the first 60 days following an **insured event occurrence**.

We will pay up to \$15,000 each person up to a maximum of \$30,000 in total for each **insured event occurrence**. No coverage is provided if immediately prior to the **insured event** the person was receiving disability, unemployment compensation or was on personal or medical leave;

7. The amount paid as a reward by you or us to an **informant** for information:

- a) relevant to the resolution of an **insured event**;
- b) which leads to the recovery of a **covered child** or victim; or
- c) The arrest and conviction of parties responsible for the loss covered under this insurance.

We will pay up to \$50,000 in total for each **insured event occurrence**; and

8. Any other reasonable and necessary expenses incurred by you with our prior written consent.

C. Definitions

As respect the coverage afforded by this endorsement, the following definitions apply:

1. **Car jacking** means the unlawful forced removal or detention of you, your **spouse**, or a **family member** operating or occupying any motorized land vehicle during the theft or attempted theft of that vehicle. A **relative** is covered if operating the vehicle with your permission.
2. **Child abduction** means the wrongful and illegal seizure, false imprisonment of a **covered child** by someone other than a **parent** or legal guardian, or an agent of either, without a demand for ransom monies during the Policy Period.
3. **Covered child** means your, your **spouse's**, a **family member's** or a covered **relative's** child under the age of 13 in the care of you, your **spouse** or a **family member**.
4. **Family member** means a person related to you or your **spouse** by blood, marriage or adoption that lives in your household including a ward or foster child.
5. **Guest** means any person invited by you, your **spouse** or **family member** to your **residence** or to travel in a motor vehicle or watercraft owned by you, your **spouse** or a **family member**.
6. **Hijack** means the holding under duress for any reason other than kidnap of you, your **spouse** or a **family member** while traveling in an aircraft, watercraft, or motor vehicle.
7. **Home invasion** means an unlawful act of violence or threat of violence to you, your **spouse**, a **family member**, a **residence employee** or your **guest** by a person who unlawfully entered your **residence**, temporary residence, or your watercraft while you, your **spouse**, a **family member**, a **residence employee** or your **guest** are present.
8. **Informant** means a person, other than you, your **spouse**, a **family member**, or covered **relative** providing information not otherwise obtainable, solely in return for a reward offered by you or us.

9. **Injury** means an injury to the body of you, your **spouse** or **family member** which occurs as a result of an **insured event occurrence**.
10. **Insured event** means any of the following: **kidnapping, child abduction, stalking, home invasion, car jacking, hijacking, violent threat**.
11. **Insured event occurrence** means an **insured event**, or a series of related **insured events**.
12. **Kidnapping** means any event or connected series of events of seizing, detaining or carrying away by force or by fraud of you, your **spouse**, a **family member** or covered **relative** (except a minor child by his/her **parent(s)**) for the purpose of demanding money or other consideration in exchange for their release.
13. **Medical Expenses** means reasonable charges for medical, psychiatric, dental, hospital, surgical, X-ray, prosthetic devices, professional nursing, ambulance and funeral services.
14. **Parent** means the natural and legal parents, step-parent, legal guardian or foster parents of your child.
15. **Physician** means a licensed practitioner of the healing arts acting within the scope of his or her license who is not the **covered person** or an immediate **family member**.
16. **Relative** means a **spouse**, child, step-child, legally adopted child, foster child, **spouse** of a married child, grandchild, brother, sister, parent, adoptive parent, step-parent, grandparent, brother-in-law, sister-in-law, parent-in-law and grandparent-in-law.
17. **Stalking** means an act or acts committed with the intent to damage property owned by you, your **spouse** or a **family member**, or to harass, injure or harm you, your **spouse** or a **family member**. The person committing the act is the subject of a court order or injunction issued to protect you, your **spouse** or **family member**.
18. **Violent threat** means the expression of an intention to inflict pain, injury, or punishment with the indication of impending danger or harm against you, your **spouse** or **family member**.

D. Exclusions

We will not be liable for loss caused by or resulting either directly or indirectly from:

1. **Fraud**
The fraudulent, dishonest or criminal acts of you, your **spouse** or **family member**, or agent thereof, whether acting alone or in collusion with others.
2. **Acts of certain individuals**
We do not cover any loss or **expense** caused by you, your **spouse** or **family member**, a covered **relative**, an estranged **spouse** or former **spouse** of any of them, or any agent thereof, whether acting alone or in collusion with others.
3. **Children in your care**
We do not cover **child abduction** expenses for children in the care of you, your **spouse** or a **family member** when you, your **spouse** or a **family member** is a day care provider providing service for the care of children.
4. **Ransom monies**
We do not cover ransom monies.
5. **Acts of war**
We do not cover any loss caused directly or indirectly by war, including the following and any consequence of the following:
 - a) Undeclared war, civil war, insurrection, rebellion, or revolution; or
 - b) Warlike acts by a military force or military personnel.

6. Vehicles used for a fee

We do not cover loss arising out of the ownership or operation of a vehicle while it is being used to carry people or property for a fee.

7. Legal Counsel

We do not cover legal liability, cost of legal counsel or costs of defense for administrative, regulatory, judicial or other claims hearings or lawsuits arising out of the **insured event occurrence**.

E. Additional Coverage:

Home Alteration and Vehicle Modification Benefit

If you, your **spouse** or **family member** suffers a dismemberment or paralysis as a result of an **insured event** as defined under this endorsement, we will pay the home alteration and vehicle modification expenses that are incurred within one year after the **insured event** causing the **injury**.

We will pay up to \$25,000 for the following one-time expenses:

- a) Alterations to your **residence** that are necessary to make the **residence** accessible and habitable for a wheelchair-confined person;
- b) Modification to a motor vehicle owned or leased by you or modifications to a motor vehicle newly purchased by you that are necessary to make the vehicle accessible to and/or drivable by you, your **spouse** or a **family member**.

The modifications must be:

- a) Made on behalf of you, your **spouse** or a **family member**;
- b) Recommended by a nationally-recognized organization providing support and assistance to wheelchair users;
- c) Carried out by individuals experienced in such alterations and modifications; and
- d) In compliance with any applicable laws or requirements for approval by the appropriate government authorities.

F. Conditions

In addition to the Conditions found in PART IV- CONDITIONS of the policy to which this coverage attaches. The following conditions apply:

Your duties after a loss:

In the event of an **insured event**, the covered person will make every reasonable effort to:

1. Immediately notify local, national or other appropriate law enforcement agency having jurisdiction over the matter;
2. Immediately notify us or your agent and provide timely updates concurrent with activity occurring during the **insured event**; and
3. Where required, submit to physical examinations by physicians or evaluations by psychiatrists that we select or cooperate with our request for an autopsy (unless prohibited by law).

Increased Fungi or Bacteria Remediation Expense - New York

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

As respects the following location(s):

1985-4 Cedar Swamp Rd

Brookville, NY 11545

It is agreed and understood that Part II - PROPERTY, Additional Coverages, **Fungi or Bacteria Remediation Expense** is deleted and replaced by the following:

Fungi or Bacteria Remediation Expense

We will pay up to \$13,757,000 for the following expenses caused by the presence of **fungi** or bacteria which results from a covered loss, including the cost;

- a. to remediate, contain, treat, detoxify or neutralize **fungi** or bacteria;
- b. of testing or monitoring of air or property to confirm the absence, presence or level of **fungi** or bacteria whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of **fungi** or bacteria;
- c. to remove debris of covered property containing **fungi** or bacteria beyond that which is required to remove debris of the covered property physically damaged by a covered loss;
- d. to repair or replace covered property containing **fungi** or bacteria beyond that which is required to repair or replace the covered property physically damaged by a covered loss; and
- e. Up to \$5,000 for the reasonable increase in living expenses incurred by you to maintain your household's usual standard of living if your **residence** is uninhabitable due to **fungi** or bacteria remediation. Payment will continue for the shortest period of time necessary to restore your **residence** to a habitable condition.

This **fungi** or bacteria remediation expense limit does not apply to **fungi** or bacteria resulting from a covered loss caused by fire or lightning. Therefore, for a covered loss caused by fire or lightning, the increased costs that are **fungi** or bacteria remediation expenses described above are covered as part of such covered loss up to the amount of coverage for your **house, other permanent structures**, or for **contents** if **contents** coverage is provided under this policy.

These payments do not increase the amount of coverage.

WORKER'S COMPENSATION

Certain Residence Employees - New York

With respect to coverage provided by this endorsement, all provisions and conditions of the policy apply unless they are changed by this endorsement.

It is agreed and understood that, **Part III. D. Additional Coverages**, has been amended to include the following paragraph:

Workers' Compensation and Employer's Liability.

We agree with respect to covered **residence employees**:

WHO IS COVERED

A covered **residence employee** under this endorsement is a **residence employee** who is engaged in regular employment of less than 40 hours per week or is engaged in casual employment.

However, as stated in New York Insurance Law Section 3420(j)(1), coverage does not apply to an employee who is not required, under New York Workers' Compensation Law, to be covered. Attachment of this endorsement does not constitute a voluntary election of coverage under New York Workers' Compensation Law.

Workers' Compensation, Coverage I and Employers Liability, Coverage II

UNDER COVERAGE I

To pay when due all benefits required of an **insured person** by the New York Workers' Compensation Law; and

UNDER COVERAGE II

To pay on behalf of an **insured person** all **damages** for which the **insured person** is legally liable because of **bodily injury** sustained by a covered **residence employee**. The **bodily injury** must be caused by accident or disease and arise out of and in the course of employment by the **insured person** while:

- a. In the United States of America, its territories or possessions, or Canada; or
- b. Temporarily elsewhere if the covered **residence employee** is a citizen or resident of the United States or Canada.

APPLICATION OF COVERAGE

This insurance applies only to **bodily injury** which occurs during the policy period. If the **bodily injury** is a disease, it must be caused or aggravated by the conditions of the covered **residence employee's** employment by the **insured person**.

The covered **residence employee's** last day of last exposure to the conditions causing or aggravating such **bodily injury** by disease must occur during the policy period.

POLICY PROVISIONS

This insurance is subject to all the provisions of this endorsement and the following provisions of this policy:

1. Under PART IV - Conditions:

- A.** Your Duties After a Loss.
- C.** Recovery.
- D.** Assignment.
- E.** Changes.

- J. Bankruptcy or Death.
 - K. Legal Action Against Us.
 - P. Our Cancellation.
- 2. Our agreement to defend the **insured person** as provided under PART III. Liability C. Defense Coverage and Claim Expense.
 - 3. The definitions of **bodily injury**, **business** and **insured person**.

ADDITIONAL PROVISIONS APPLICABLE TO COVERAGE I and COVERAGE II

The following definition is added as respect coverage provided by this endorsement only:

Residence employee means:

- a. An employee of an **insured person**, or an employee leased to an **insured person** by a labor leasing firm, under an agreement between an **insured person** and the labor leasing firm, whose duties are related to the maintenance or use of the **residence**, including household or domestic services; or
- b. One who performs similar duties elsewhere not related to the **business** of an **insured person**.

ADDITIONAL PROVISIONS APPLICABLE TO COVERAGE I

The following provisions are applicable to Coverage I:

- a. As between the covered **residence employee** and us, notice to or knowledge of the **occurrence** of the injury on the part of an **insured person** will be deemed notice or knowledge on our part.
- b. The jurisdiction of an **insured person** will, for the purpose of the law imposing liability for compensation, be our jurisdiction.

ADDITIONAL PROVISIONS APPLICABLE TO COVERAGE II

Coverage II does not apply to any suit brought in or judgment rendered by any court outside the United States of America, its territories and possessions, or Canada, or to any action on such judgment.

LIMITS OF LIABILITY COVERAGE II

We may not limit our liability to pay damages for which we become legally liable to pay because of **bodily injury** to an **insured's persons** covered **residence employees** if the **bodily injury** arises out of and in the course of employment that is subject to and is compensable under the Workers' Compensation Law of New York.

OTHER INSURANCE

If a loss covered by this insurance is also covered by other insurance, we will not pay more than our share of benefits and costs. The shares of all applicable insurance will be equal until the loss is paid. However, if a loss covered by this insurance is also covered by insurance written to cover **business** employees of an **insured person** who is a sole proprietor, this insurance is primary.

CONFORMITY TO STATUTE

If any term of this insurance is in conflict with the New York Workers' Compensation Law, such term is amended by this statement to conform to that law.

EXCLUSIONS

This policy does not apply:

- a. To liability for **bodily injury** arising out of **business** pursuits of an **insured person**.
- b. Under Coverage II:
 - 1. To liability assumed by the **insured person** under any contract or agreement.

2. To any obligation under a workers' compensation, unemployment or disability benefits law or any similar law.
3. To punitive or exemplary damage because of **bodily injury** to a covered **residence employee** employed in violation of law.
4. To **bodily injury** to a covered **residence employee** employed in violation of law with the knowledge of an **insured person** .
5. To **bodily injury** intentionally caused or aggravated by an **insured person**.
6. To damages arising out of the unlawful discharge or coercion of, or unlawful discrimination against, a covered **residence employee**.

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